

EASTERN WORLD

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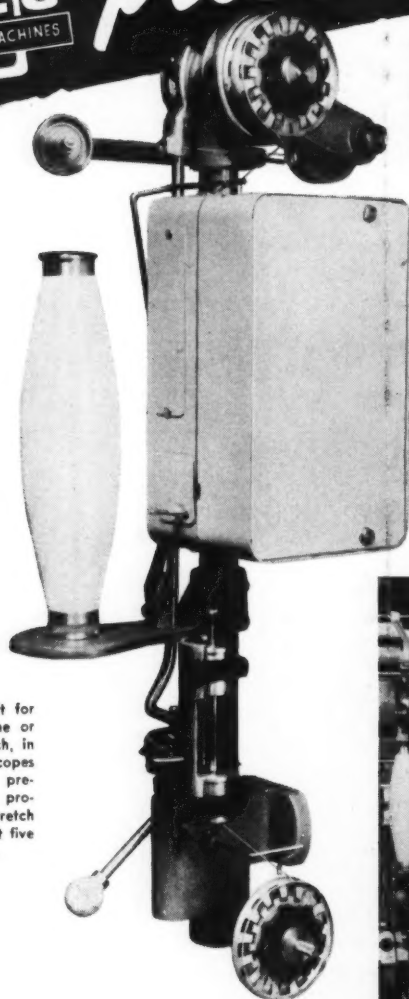
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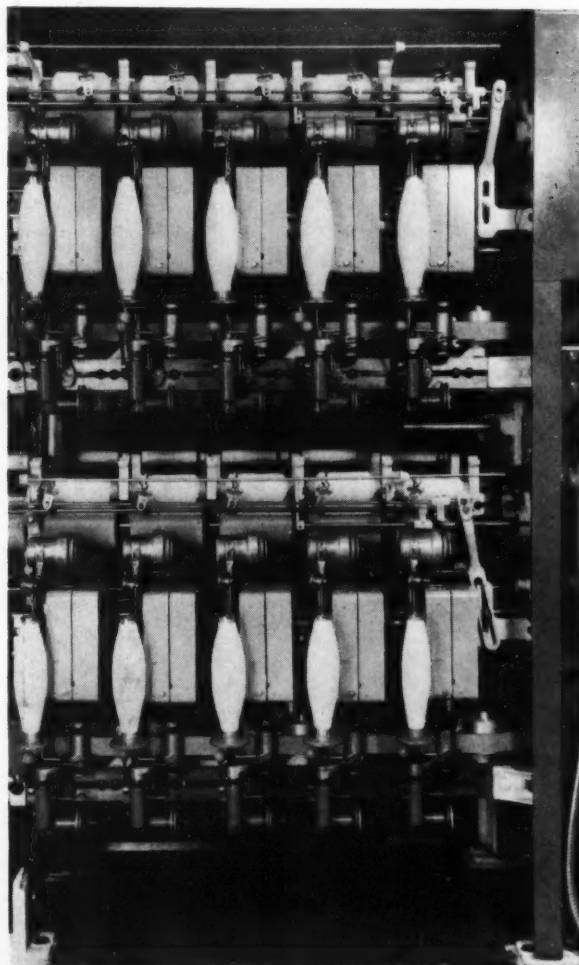
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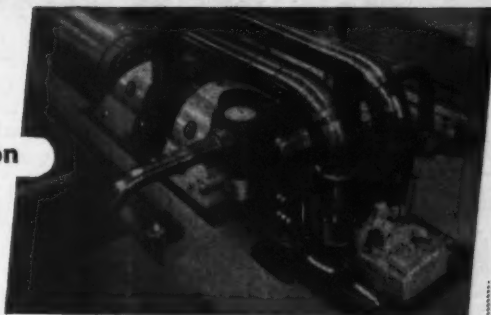
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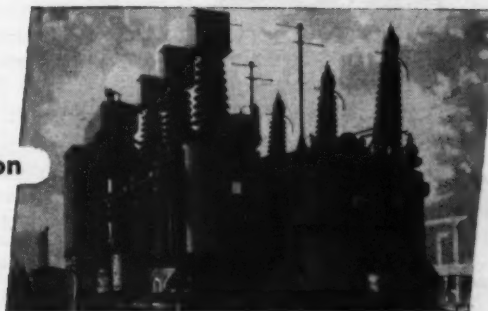


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CONTENTS

EDITORIALS

Commonwealth Purpose

The Passage of Pakistan

China Accelerates

COMMENT

Socialisation of China's Agriculture

Lewis Gen

Thailand's Foreign Policy

Thailand Foreign Minister

Changes in Philippine Villages

Donn V. Hart

Anti-Communism in S. Viet Nam

Tran Tam

ASIAN SURVEY

The Satisfaction of Syngman Rhee

Correspondent in Korea

Pakistan: Plan Without Impact

Karachi Correspondent

United States: "Friends of Viet Nam"

David C. Williams

Australia: Problems in Plenty

Charles Meeking

Italy: Sukarno Looks In

Rome Correspondent

Indonesia: Dutch Business

Correspondent in Jakarta

Wage Problems in Asian Countries

L. Delgado

FROM ALL QUARTERS

LONDON NOTEBOOK

BOOKS ON THE FAR EAST

Devil Dancing by Ceylon's Coast Veddahs

S. V. O. Somanader

James H. Jacques

Roman Links with India

ECONOMIC SECTION

Malaya's Trade with Britain

V. Wolpert

Pakistan's New Five Year Plan

Oil Search in Pakistan

Durgapur Steel Project

Industrial Correspondent

Wool Aids Korea

Japan's Man-Made Fibre Industry.

A. James

TRADE FINANCE AND INDUSTRIAL NOTES

Believing in the freedom of the press, this journal represents a forum where articles containing many different and often controversial opinions are published. They do not necessarily express the views or policy of this journal.

EASTERN WORLD

London

July

1956

COMMONWEALTH PURPOSE

NO conference of Prime Ministers before the present one in London has ever foregathered in a thicker atmosphere of speculation about the future of the British Commonwealth. Events have occurred in recent years which have made the old idea of the meaning and purpose of the Commonwealth out of date. Unless new ideas are evolved on the central conception of what function the Commonwealth can usefully perform in world affairs, there seems little doubt that the fears which have been recently expressed from many quarters about its final negativeness will become a reality.

Evolutionary processes in the post-war decade have tended, within the Commonwealth structure and without, towards national self-determination. The diverse views on world relationships that this has produced among members of the British Commonwealth, particularly as between the Asian and non-Asian, has meant that any identity of outlook has been difficult, sometimes almost impossible, to maintain. It has, of course, been useful for the leaders of the member countries to exchange views, but something more is implied in an international structure than a forum for the exchange of ideas, some of which have been left unsaid in the past for fear of creating wider differences. Such an organisation is too loose and fluid to perform a dynamic function. And yet the very fact that the Commonwealth continues at all, with the newly independent Asian members choosing to remain part of it, shows that it has a potential as a force in world affairs.

The time would seem to have come in the life of the Commonwealth to transform it from a loose association into a multi-racial political organisation with a common outlook on world problems. The usefulness of such an organisation in the world today cannot be over estimated. If it could develop a common outlook and a unified purpose, the collective weight of ideas that emanate from it could not fail to have a favourable effect in international affairs. If the Commonwealth is to be transformed from a passive association into a dynamic organisation, a start must be made immediately in seeking those interests common to individual countries.

Much has recently been written on what basic steps are necessary to draw members of the Commonwealth closer together, especially at this time when many colonial territories

are moving fast towards self-government. Suggestions for establishing such bodies as a Council of Ministers drawn from the member Parliaments, and the creation of other institutions for economic cooperation and the exchange of ideas through university studies are all worthy of serious consideration. But steps such as these, although vital if the Commonwealth is to develop along positive lines, must be seen in the long view. The immediate necessity is for Commonwealth members to find common ground on the world situation, both economic and political, so that it can present something of a unified front in international exchanges. It is, however, unfortunately a fact that interests and opinions are so widely divergent among members (although less now than two years ago) that no one can reasonably expect agreement on more than broad outlines. This is something to be regretted.

In the post-war period it has been left to the United States on the one hand and the Soviet *bloc* on the other to take the lead on world issues. A great majority of world opinion is not enamoured with the idea of following either. It has seemed to many observers that western countries have often shown signs of wishing to break loose from the American monopoly of international ideas. Yet it has not been possible to do so because it has been recognised that the United States has the economic power to maintain leadership. The same approach has often been rejected in favour of American interests. No one in the non-Communist world, save the uncommitted countries of Asia, has seriously challenged the American view of how the world should be. There has been too great a willingness for nations to jump aboard the American band-wagon even if they do not entirely agree—as has often been the case—with the direction it is taking. But recent events have shown that the world is shaping itself in such a way as to reveal that the power of the United States is no longer essential to the protection of another country's sovereignty.

If nations are to go forward into an era of positive cooperation with under-developed countries, moving out of the negative phase of enervating defensive alignments, they can no longer be content with the totality of American leadership as we have known it in recent years. A whole range of new

ideas is essential. It is in this way that the British Commonwealth could play a part. No one would suggest that it try to take over leadership of the western world, so that it appears in competition with, or opposition to, the United States, but in the formulation of new ideas and their translation into reality, the Commonwealth ought to be able to offer a lead—an example—which other countries would see the sense in emulating. The Commonwealth has a unique opportunity in being able to draw on ideas from a diversity of sources. This diversity should be an asset, and a greater intra-Commonwealth understanding is fundamental. Each member must be assured of the other's good faith.

Asian countries have been generally opposed to American foreign policy because they have seen it as a means of long range protection of the American way of life at the expense of other peoples' national feelings and dignity. The Asian members of the Commonwealth must be assured that British colonial policy has not the same ends in view. This ought not to be difficult if the whole question of imperial defence is reviewed and the conclusion reached—as it should be—that the pattern of strategic bases so assiduously adhered to in recent years is now something of an anachronism.

There will, of course, continue to be differences of view on what constitutes a threat to each individual country and to the Commonwealth as a whole, but although some may consider that a military threat still exists, in this H-bomb age, from Communism, all would surely agree that there is as much, or perhaps a more imminent, danger of disintegration of the Commonwealth from an over emphasis on defence to

the detriment of economic and industrial cooperation.

Expanded mutual help within the Commonwealth could provide the sort of example the non-Communist world needs. There is nothing in this that can change the differing views held by each country on international matters, but wider cooperation would create the climate of confidence in which the Prime Ministers could exchange views frankly, without their motives being misunderstood or misconstrued. Each Commonwealth statesman will continue to have his own separate part to play in world affairs, but the formulation of new ideas of how the Commonwealth can draw more closely together can only add to that climate of confidence between members which should help to concert their international actions; because greater mutual help would be the aim of each and everyone of them.

To see the Commonwealth as a third force in world politics is perhaps desirable; it is at the present time chimerical. But it is to a certain extent true that with American foreign policy coming under criticism from Iceland to the Pacific, eyes are being increasingly turned to the British Commonwealth. This may mean nothing or it may mean everything. The United States seems unable to assess the changes that have recently taken shape on the international scene except within the restricted limits of her own economy. By its very nature the Commonwealth could not hold a limited or narrow view of events. Each member of it can, and does, play a major part in influencing world affairs. Confidence and understanding would give every member a source of strength from which to exert an even greater and more sensible influence.

THE PASSAGE OF PAKISTAN

IT is a matter for regret that, alone of Britain's former colonies in Asia, Pakistan should have failed to move in the great current of Asian evolution, and thereby forfeited the respect not only of its Asian neighbours but even of those western powers that have been so anxious to befriend it.

On March 2 this year, after years of profitless moves and counter-moves, a Constitution was finally passed. Pakistan ceased to be a Dominion and became a sovereign republic within the British Commonwealth. This was recognised as in some measure a vindication of the will of its people. Similarly, the announcement on May 14 of the country's First Five-Year Plan was an endorsement of the demand that the purpose of the national economy must be the well-being of the whole people. Both the Constitution and the draft plan have fallen short of the hopes they aroused, and are meeting with much criticism from the general public as well as the opposition parties. Nevertheless the stewardship of Major-General Iskander Mirza, the President, and Mr. C. Mohammed Ali, the Prime Minister, appear to have introduced into the administration a much-needed touch of purposefulness, lacking since the death of Liaquat Ali Khan.

They are trained, able administrators, determined to bring order and system into their work.

Their task is to find a way of lifting the widespread feeling of frustration before they can hope to make of Pakistan a united, modern and progressive nation. By declaring the country an Islamic Republic, the Pakistani leaders have already burdened their statesmanship with a considerable handicap. They are becoming aware of the increasing difficulty of maintaining theocracy against the trend of history, thus continually incurring comparison with secular India. The Government has been obliged to issue assurances that no discrimination will be exercised "between Muslims and non-Muslims in the promotion of the social and economic well-being of the people of Pakistan." The country-wide campaign for a joint electorate, however, still continues. The whole of East Pakistan, with the Awami League in the lead, is opposing the Government's schemes for separate voting of Hindus and Muslims in parliamentary elections, which is regarded as a perpetuation of the "second-class" citizenship of non-Muslims within the state. Many Pakistanis are convinced that if they lose the issue to the fanatics of the

Muslim League, the nation will be permanently disunited and weakened, with inevitably a resultant further loss of esteem in the eyes of the world.

In the first years of its independence, Pakistan dreamed of becoming the leader of the Middle East and the Muslim countries everywhere. Any chance there might have been of this has been lost, not through external causes, but because the leaders of Pakistan misread both the trend of current development and the needs of the nations they aspired to lead. Is there not a lesson for the Pakistani leaders in the fact that today little Cambodia, Ceylon or even Syria command a better hearing in the world than they?

Even on the Kashmir issue, the support of western opinion enjoyed by Pakistan between 1948 and 1952 has visibly dwindled. Pakistan may well be asking for a rebuff if it tries to raise the issue again at the Security Council. It is doubtful whether even the United States would now sponsor it with any great conviction, since responsible Americans are beginning to question the wisdom of alienating Indian opinion.

It is greatly to be deplored that the world thinks of Pakistan almost exclusively in terms of her disputes with India. The blame for this must be placed on the Government itself, on the Muslim League and on the press. All the official publicity and agitational efforts have centred on blackening India, while the real function of such publicity—to make known the country's own achievements—has been

forgotten. Yet the story of the establishment of a whole state apparatus for 80 million people, of this people's very considerable industrial activities, its greatly enlarged educational and cultural opportunities, its struggles to defend the country's currency, and the expansion of home and foreign trade, would have been well worth telling.

SEATO and the Baghdad Pact from which Pakistan hoped to gain so much have been of negative value to the country. They have divided the people and even the leading personalities. It can give little satisfaction to Pakistanis to know that the West values their country chiefly in terms of manpower and strategic position. The leaders of Pakistan received a first warning in the failure of the Muslim League in the East Pakistan election of 1954, just when the Pakistan-American agreement on military aid had been reached. Even pro-Government newspapers were infuriated by the then Prime Minister's statement in Colombo that "colonialism was preferable to Communism." Pakistan's possession of American weapons has won for it the Pyrrhic victory of partially hampering India's economic advance by causing some deflection of the latter's resources to military purposes—but at what a terrible cost to Pakistan's own progress in every field! American military "aid," in every case in which it has been given, has demanded in return the utmost expenditure on military preparedness, both financially and in the manpower that might have been of far greater value in constructive work. In the execution of the Five-Year Plan the problem of finding the men for the job is likely to be a hard nut to crack.

CHINA ACCELERATES

ECONOMIC, industrial and agricultural progress in China over the past year has gone ahead at a surprisingly rapid pace. The advance towards collectivisation of farms since Mao Tse-tung outlined the plan in his historic speech last July has proceeded at a rate that has frankly surprised even the most optimistic officials in China. Well over half of China's 120 million peasant families are now working under the collective system, and by this time next year, if the pace continues as it is today, 90 percent of families will be collectivised. This is a colossal achievement, carried out at least three years ahead of the original estimate.

In industrial development the results are not as outstanding. Although industrial output was above expectations in the first quarter of this year, planned targets have not been reached in such products as steel, coal and oil. But Li Hsien-shan, the Finance Minister, is confident that in terms of output value Chinese industry in 1956 will reach the target which the Five Year Plan set for 1957.

Although much time and energy is being spent in China—as indeed it is in every newly independent Asian country—on plans for wider industrialisation, increased agricultural output is the dominating factor in the country's economy. That is why collectivisation is considered to be of such primary importance. With an expanding urban working class

more and more food must be produced if industrialisation is to progress smoothly. That is axiomatic. What is so amazing is how the Peking regime has pushed collectivisation ahead at such a speed with so little trouble in the countryside.

It is true, as Chinese officials will quietly admit, that their study of Russia's methods was to a large extent concentrated on how to avoid the mistakes made during collectivisation in the Soviet Union some 25 years ago. Propaganda in the rural communities in China has been undertaken along the lines of example and assistance, and attempts at coercion have been avoided. The accent has been on families cooperating, guided by mutual aid teams and ideological cadres.

The main problem in this rapid development of collective farms seems now to be the shortage of persons with enough training to run them. And it is here that trouble may become evident, for the people on the farms may well become restive if the organisation becomes too centralised, and if officials with little knowledge of agriculture exercise stringent political control from offices far off. This possibility has not escaped notice in Peking, and already there has been unstinted criticism from all levels of the mistakes committed by officials and farm managements.

With agricultural development ahead of schedule China can afford to turn her increasing attention to industry. In

presenting this year's budget to the National People's Congress in Peking last month, the Finance Minister laid down that 52.22 percent of the national budget was to be set aside for construction. It is interesting that of this large sum, 53 percent will go to industry, while agriculture, forestry and water conservancy will get 14 percent.

While the allotment from the budget to industry has increased, that for defence has decreased. China, no doubt taking some advantage from the lessening of tension in the Far East (although the liberation of Taiwan is still loudly proclaimed), has cut defence expenditure by about 5½ percent, so that it now stands at nearly 20 percent of the total budget. China, like India, is obviously looking first to her development programme, and most of the saving on defence is being diverted to industry, some of it in the form of increased wages.

If this readjustment in the national revenue works out according to expectations, and the waste that has been evident recently in industrial construction can be remedied, the rate of development in a year's time could be even more startling than it is now, and for industry as much as agriculture. But China still has a long way to go on the industrial side, and it will be interesting to see how she compares with India. In the sphere of agriculture it is difficult to make a comparison, because China has a different sort of rural community than India, and in agrarian organisation she is well ahead. But industrially, India and China are at roughly the same stage. China's agrarian programme has shown that the present regime has the capacity for inculcating enthusiasm. It is this incalculable factor which India is in the process of formulating according to her own political philosophy, for China has shown clearly that—in underdeveloped Asia at least—a nation's ultimate power and greatness is vested in the concerted labour of its people.

Comment

Merdeka to Come

ALTHOUGH matters have rested considerably more quietly in Singapore since the breakdown of the London talks than was generally expected, there is much political discussion and comings and goings behind the scene. Mr. Marshall has kept his word and left the Chief Minister's seat. It is doubtful that he has left politics for good. A man of David Marshall's personality and charm, once having tasted politics, would find it difficult not to return.

He has left his successor, Mr. Lim Yew Hock, with the difficult task of bringing some sort of unity and common outlook to the Labour Front and the members of the Assembly before making a further attempt to negotiate independence with the British Colonial Office. There are too many cross currents and frequently changing opinions at the moment for the new Chief Minister to find a firm basis from which to approach new talks in London. Since Mr. Marshall's resignation the Labour Front and the People's Action Party have

drawn closer together, and both now talk of building up a position of strength in Singapore and of announcing a time limit for the realisation of *merdeka*.

The one sure way of independence for Singapore is to merge with the Federation of Malaya, but Tunku Abdul Rahman, the Chief Minister there, will not shift from his position that Singapore cannot merge with Malaya as an equal partner. If there is to be any union at all—and Tunku Rahman has not minced his words in declaring that for his part he would rather have absolutely nothing to do with the island—it will only be accepted by the Federation on the understanding that Singapore becomes a unit in the same way as each of the nine sultanates. Even this is not a firm offer.

Tunku Rahman has his "hands full keeping the Federation peaceful," and he openly distrusts any solution to Singapore's problem that would bring a majority of Chinese under the jurisdiction of the Kuala Lumpur Government. It is of incidental interest that the Tunku is being scrupulous in avoiding any action that might antagonise the Chinese in the Federation. His announcement that he intended to keep clear of any commitment that would draw him nearer to SEATO is a measure of the recent enlightenment among the Malayan people, and the pressure of the politically conscious urban Chinese.

In Singapore Mr. Lim Yew Hock will for the time being be concentrating less on how to build up a case for independence than of getting his house in order, for he knows that not only London but the Federation of Malaya too must be convinced of the Colony's stability before they will be in any frame of mind to concede anything.

The next few months will no doubt see a patient effort by the Chief Minister in working out, with members of all parties, a scheme for defence that will satisfy the British Government as well as the people of Singapore. There are signs now that tempers are cooling. But it is not only Singapore that must concentrate on a plan for independence. Just as much responsibility rests with the Colonial Office in working out a plan from their side that will be more acceptable to Singapore than what has so far been offered, for, as Mr. Lim has said, "talks there must be, and talks there will be." For Singapore *merdeka* is not an illusion, and they are not prepared to wait for ever.

Personal Politics in Japan

WHEN the elections take place in Japan on the eighth of this month for half the members of the Upper House of the Diet, minds will be cast back to the violence and chaos that occurred in the Chamber at the beginning of June. The brawl that took place then may have done the Socialists a good deal of harm.

If the Liberal-Democrats, who are the Government party, show some gains in the elections and secure two thirds of the total seats in the Upper House, they will steer through the Bill to revise the Constitution. This is what the Socialists most want to prevent, and they say, with justification, that the Government's new electoral law is unfavourable to them, and

almost certainly ensures a good Government majority. If the Liberal-Democrats (conservatives) have been successful in their pre-election campaign to discredit the Socialists—especially among women voters—they may get things their own way. But this reckons without the support the Socialists are certain to secure from the trade unions. It may yet be a close contest.

If the conservatives win the required number of seats they will lose no time in placing the revised Constitution before both houses of the Diet for approval. This might easily touch off further rioting in the Chamber, because the Socialists view the constitutional revision with nothing short of alarm. Once the Constitution is revised all the safeguards about armed forces, so carefully imposed under the Occupation, will be knocked out of it. This has obvious dangers, for it allows a situation to arise which would give an opportunity for militaristic elements to revive.

Meanwhile differences of opinion still continue within the Liberal-Democratic Party on whether normal relations should be restored with the Soviet Union before or after an agreement on the questions, like prisoners and islands, that are still outstanding between the two countries. Up to date Mr. Shigemitsu, the Foreign Minister, seems to be having his way in pressing for a resumption of talks in London between representatives of Russia and Japan, in an effort to get a peace treaty properly signed.

Ideas in the Government on Japan's foreign relations are all over the place and it hardly seems as if any two people can really agree. This is something out of which the Socialists could have made political capital, if only they had some firm ideas on foreign policy themselves. Japan is suffering from an overdose of *personal* politics.

Burma Reshuffle

AT first glance it might have seemed that the resignation of U Nu from the Prime Ministership of Burma, and the accession of the Defence Minister, U Ba Swe, was the result of an internal purge of the Government party—the Anti-Fascist Peoples Freedom League. Although the losses the AFPFL sustained in the recent elections were not large, they were sufficient to cause some agitation among the Government leaders that a continued lack of energy and drive at top party levels would allow the initiative to pass to the left wing groups in Burma before the next election.

However successful U Nu has been as Prime Minister, it cannot be said in all truth that he himself was fired with energy. U Ba Swe, on the other hand, has for long been recognised as the strong man in Burma politics, who has come up to the top by way of the trade unions. At one time his political beliefs were frankly Marxist, and it seems that many of his future decisions will be influenced by his background.

The changeover is intended to bring new life into party and Government, and it seems likely that it will succeed. There is no one better suited than U Nu to get out among the lower levels of the AFPFL and preach the doctrine of tolerant Socialism. He is well loved in the country, and his past record assures him of a good hearing among all sections of his multifarious party. His task is to restore confidence in the AFPFL, many supporters of which have been weaned away by the extreme left.

The new Prime Minister has, for his part, the task of shaking up the Ministerial side. Many of the Ministers had become too comfortably ensconced in their jobs, while the mountains of paperwork grew and the bureaucracy swelled to a disproportionate size. The redistribution of Cabinet posts was a good start.

Although no one can say that Burma has not made a success of independence—much has been achieved against outstanding difficulties—no harm is done by recognising that new energies are necessary if the country is to shake itself out of present economic difficulties. The recent change in Government personalities might be the very thing Burma needs to put her back into her stride.

Ceylon's Opportunity

IN the two-and-a-half months of its existence, the Bandaranaike Government has already produced in the island, for the first time since its independence in 1948, a sense of national unity and purpose. The prestige of the entire British Commonwealth is raised by it. Mr. Bandaranaike has lost no time in moving to establish diplomatic and trade relations with the Sino-Soviet bloc. The seeking of friendly relations with all countries was an obvious consequence of the new Government's declared policy of remaining non-aligned with either power bloc. But it seems clear that Ceylon is also looking forward to replacing the existing colonial economy with a national economy of development of all natural resources and suitable industries, and the extension of trade to markets hitherto unexplored.

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NIHONBASHI, TOKYO, JAPAN

Almost unlimited opportunities appear to be open to Ceylon, above all in the field of diplomacy. In the Afro-Asian world, Mr. Bandaranaike succeeds to all the advantages, and none of the blemishes associated with the Kotelawala regime. He can build his foreign policies on the tradition already created by the Colombo Powers and the Bandung Conference.

Ceylon, one of the newest members of the United Nations, could today walk into a key position as a leading spokesman anywhere in the world of the Asian and African countries. Its first requirement now would seem to be a little time for the new perspectives to sink into the minds of the people and their political and diplomatic leaders. Ceylon has men of both wisdom and intelligence, of forensic skill and proficiency in English, who could hold their own with front-rank diplomats of other countries. The second requirement, that the country should have no serious international differences, is fortunately already well in hand. The question of Ceylon's Indian settlers, unduly magnified under Kotelawala's handling, is not one likely to over-tax the ingenuity of Mr. Bandaranaike and Mr. Nehru.

The new Prime Minister of Ceylon, in giving Britain notice to withdraw her bases, has risen above the counsels of interested parties who ceaselessly sow suspicion, warning Ceylon to beware of her big neighbour. India's consistently friendly behaviour, as well as the changed world situation, would seem a firmer security for Ceylon than foreign bases. Conversely, India would be relieved of anxiety for her own security by a Ceylon free of foreign restraints.

Ceylon's wise participation in international affairs would assuredly be welcome to India. Indians, in spite of their good intentions to keep within reasonable bounds the national pride that has understandably burgeoned since 1947, have not always succeeded in avoiding offence to the sensibilities of other countries. The diplomats of a small country like Ceylon, on the other hand, could more easily take the lead without causing ill feelings. It would be no reflection on India's principles or responsibilities to follow and support such moves by Ceylon.

Cambodia Goes Ahead

PRINCE NORODOM SIHANOUK is something of a latter-day Peter the Great. In his peregrinations round Europe, East and West alike, unconcerned with iron curtains (if there be any still in existence), he is reported to have shown not only diplomatic skill but also a sound head for business. The details of whatever business deals he may or may not be initiating in France, Poland, Spain, Russia and Czechoslovakia are still unknown. But some of the results of his similar journey in Asia, to the Philippines, China, Japan, Burma, India and Thailand, before coming to Europe, have now been published.

A trade and payments agreement between China and Cambodia, negotiated in Peking at the end of April, was ratified by the two Governments early in June, and is now in operation. It is based on the principle of equality and mutual benefit, and aims to balance imports and exports between the two countries.

Between June 16, 1956 and June 15, 1957, Cambodia will buy from China goods to the value of £5 million, mainly

machinery, building material, industrial raw material, foodstuffs and other consumer goods. In the same period China will buy from Cambodia goods of equal value, mainly rubber and agricultural products.

All contracts and invoices are to be specified in pounds sterling for the convenience of both parties. The agreement itself was drawn up in the Chinese, Cambodian and French languages, the three texts being equal in validity. Arrangements for the establishment of a mixed Sino-Cambodian trade commission, and for settlement of accounts have been made on a strictly reciprocal basis.

Such a huge turnover, £10 million a year, in an entirely new market would be a boon for any country, all the more for so newly independent, small and under-developed a country as Cambodia. It will inevitably give a great impetus to economic activity in the country, as well as adding substance to its independence and stature to its Government.

Dulles and the Neutrals

MR. NEHRU'S decision not to visit the United States can mean a number of things. It is strange that on his arrival in London for the Commonwealth Conference the Indian Prime Minister confirmed that after the talks were over he would be going ahead with his plan to visit America. Three days later it was cancelled. His correspondence with President Eisenhower would seem to suggest that it was at Mr. Nehru's request that the visit be cancelled because he was concerned over Mr. Eisenhower's health. And yet almost in the same breath it was officially stated in Washington that just after the time the President was due to meet Mr. Nehru, he will be flying to Panama to attend a meeting.

At first it might seem that the change of plan indicated that the President was more ill than we were led to believe. Or that he does not, after all, intend to stand again for President. And yet he seems fit enough to go to a conference. Does the change perhaps reveal a difference in the Administration about entertaining the Indian Prime Minister, or has Mr. Nehru quietly backed out since Mr. John Foster Dulles made one of his classic blunders in saying that countries who, like India, adopt an attitude of neutrality towards military alliances are immoral? One can imagine how Mr. Nehru and Dulles would get on together after such a statement.

What Mr. Dulles expects to achieve by such utterances no one except he really knows. America is losing friends quickly enough in the world as it is without the Secretary of State making it doubly worse for her. His analysis of why neutrality is "an immoral and short-sighted conception" was not even convincing. It was not the sort of reasoned argument that is expected from one in such an important position.

The trouble with Mr. Dulles in this instance is the same that has afflicted him throughout his term of office as Secretary of State. He sees the United States as the Godhead, and John Foster Dulles as the disciple. This is not the first time piety and self righteousness have led him into making sweeping moral judgments. And often they have been in direct contradiction to the President.

Mr. Nehru may well be disappointed at not meeting President Eisenhower, but he must be very relieved at not having to rub shoulders with the Secretary of State.

THE SOCIALISATION OF CHINA'S AGRICULTURE

By Lewis Gen (Hong Kong)

WHEN, at the 6th plenary session of the Central Committee of the Chinese Communist Party held in October 1955, a decision was adopted on agricultural cooperation in the light of a report by Mao Tse-tung himself, to experienced observers of China, it was easy to see that this signal would soon touch off another momentous movement which was likely to engulf again the whole country. Before the significant decision was taken, the socialisation of agriculture appeared to have long been the subject of controversy. This is clearly indicated in Mao Tse-tung's report, in which he says "Some of our comrades are tottering along like a woman with bound feet, always complaining that others are going too fast. They imagine that by picking on trifles, grumbling unnecessarily, worrying continuously, and putting up countless taboos and commandments they are guiding the socialist movement in the rural areas on sound lines."

Indeed, in the light of the whole situation, agricultural cooperation has become an imperative step, and it can hardly be further delayed with safety. Although land had been taken from the feudal landlords and distributed to the peasants, this alone was insufficient, because the land allotted to each peasant was too small to be used profitably (in most parts of the province of Kwangtung, for instance, each peasant got less than 1 *mow*—0.1647 acre), and many families cannot make use of their land owing to a lack of manpower. This being the case, soon after the completion of the land reform many of the peasants sold the land they had received.

On the other hand, the rich peasants possessing draught animals, major equipment, and greater financial resources easily outstripped the poor peasants and hired labour, acquired more land, and thus again became new landlords. Therefore, unless this tendency was checked in time the whole land reform programme would crumble. This did happen several times in Chinese history, and to prevent its recurrence agricultural producers' cooperation is the only effective weapon.

As a practical agrarian reformer probably no man in China is more experienced than Mao Tse-tung himself. Even during the early days of peasant revolts, he started mutual teams wherever he could temporarily secure a small base of operation. But it was not until the completion of the land reform that agricultural cooperation was launched on a big scale. This great task is being carried out by three steps:

First, organisation of mutual-aid teams which have the rudiments of socialism. Such teams are marked by a certain division of labour and the allocation of part of it for special work on the basis of collective labour, and by a small amount of property owned in common. Second, the forming of agricultural producers' cooperatives, semi-socialist in nature, founded on the mutual aid teams, characterised by the pooling of land as shares and a single management, and based on partial collective ownership of property. Third, the turning of these semi-socialist agricultural producers' cooperatives into wholly socialist ones—that is, into collective farms in which all land, stock and equipment is collectively owned by the peasants.

It is apparent enough that agricultural producers' cooperatives have many advantages over individual farming. They entail a more profitable use of land, division of labour, greater resources both concerning finance and major equipment, and the ability to undertake great public works such as water conservancy and reclamation.

Today the Chinese people are so thoroughly organised that what is to be done—if in theory it can be done, or in practice has been done elsewhere—it will be undertaken boldly and with frantic enthusiasm in spite of difficulty or obstacles. With millions of party members and cadres, chiefly among the peasants, once the machinery is set in motion, the programme will proceed with a crushing force. So when the government first decided to start the cooperative movement in 1953 there were only three hundred agricultural producers' cooperatives but two years later the number increased to 14,000, and another year brought the number to 100,000, and again it went up to 650,000 in 1954, representing 16,900,000 households. But this was not attained without a hitch, but for want of experience or other reasons many of the cooperatives springing up soon ran into difficulties, and as a result of this quite a number had to be dissolved. It is said that during the year 1953 in Chekiang alone, 15,000 agricultural cooperatives out of 45,000 had to be disbanded.

Nor should it be presumed that all the peasants respond to the call of the government willingly and gladly. For, apart from those elements who would take every opportunity to sabotage the movement there still exists a certain percentage of rich peasants, who are either positively against agricultural cooperation or keep aloof from it. But the policy makers in



the government are well aware of this, for in the National Programme for Agricultural Development it is expressly provided that the former landlords and rich peasants may be allowed to join the agricultural producers' cooperatives, but they must not be given any important posts in them; and as to those who are found working against the interests of the cooperation movement they must be either dealt with according to the law, or made to work under supervision. On the other hand, the government also stipulates as a main principle that in getting the peasants to join the cooperatives, enlistment must be voluntary and mutually beneficial, and that within the cooperatives equal pay must be given for equal work—among men and women, members and non-members. However, it can be imagined that with the whole weight of the government thrown on to the side of the cooperatives, it is hard for the individual peasant to remain long outside.

But the chief purpose of the socialisation of China's agriculture is not only for the good of the peasants, but also for the fulfilment of the national economic construction as a whole. It is closely geared to the industrialisation programme which is relied upon as the main hope in transforming China into a socialist state. In the first place it is quite apparent that in order to expand industry more and more workers must be fed, and increasing raw materials must be found to supply the new factories, such as cotton mills and tobacco factories. Then to develop the domestic market for the industrial goods the buying power of the peasants must be greatly increased, and hence the necessity of increasing agricultural production. What is more important, capital funds must be accumulated in the countryside in order to buy modern farming equipment to mechanise agriculture. Thus, all finally come to rely upon increased agricultural output, which in turn must rely upon socialisation of agriculture in the form of cooperation.

The programme drawn up by the government does not apply to the production of grain and cotton alone. It also applies to silk, forestry, dairy farming, fishery, the cultivation of medicinal herbs and other local industries. But the real test of the agricultural producers' cooperative, of course, is actual increased output. It cannot justify its existence if it should fail in this fundamental requirement. As the above-mentioned report shows, about 80 percent of the cooperatives already set up did produce an increase from 10 to 30 percent, 10 percent showed neither increase nor decline during the

first year, and another 10 percent showed a decrease. According to the national planning programme, in the 12 years starting with 1956 in areas north of the Yellow River and the Tsinling Mountains the average annual yield of grain should be raised from 150 *catties* to the *mow* to 400 *catties* (one *catty* equals 1.1023lb; one *mow* equals 0.1647 acre); south of the Yellow River and north of Hwai River the yield should be raised from 208 to 500 *catties*, and south of Hwai River and the Tsinling mountains it should rise from 400 *catties* to 800 *catties*. These targets are not mere dreams; they are based upon the good results already achieved by successful cooperatives. The programme further directs that in the 7 years beginning with 1956 every able-bodied man in the countryside ought to be able to contribute at least 250 working days a year, and women at least 120 working days a year to productive work; and in addition, all those in the countryside who can contribute only "half manpower" or who are only fit for light work should be encouraged to do well at whatever work they are fit for. We may well suppose that this is now accordingly being done in the countryside of China.

It may appear from the foregoing that the rulers of China are only bent upon increasing production to accumulate funds for industrialisation, and that in doing so, they totally neglect the present needs of the peasants. This criticism is certainly not justified. According to those who have recently visited the rural areas of China, the living of the former poor peasants does show some improvement, though that of the former middle class does not. However, the government by no means forgets the future welfare of the peasants, and the large-scale programme mentioned above also makes considerable provision for the development of housing, health, education, amusement, tele-communications, roads, postal services in the countryside, as well as the storing of grain against bad harvests. All these are to be realised step by step by the agricultural producers' cooperatives with the help of the government.

Finally, it ought to be mentioned that according to the plan of the government the main feature of reform in the countryside preceding 1962 will be social reform, that is, reform in human relations in the field of production; but in the next 5 years social and technical reform will advance side by side in the rural areas, and more and more large farm machinery will be employed. According to Mao Tse-tung's own estimation it will take roughly four or five five-year plans to accomplish, in the main, the technical reform of agriculture on a national scale.

Finally, I would like to quote a few official figures from Peking to show how the cooperative movement is progressing. Up to the end of March 1956, agricultural producers' cooperatives numbered 1,088,000. These consisted of 100,000,668 households, representing 90 percent of the peasant households of the whole country. Peasants who have joined the *advanced* (that is, of a more socialist nature) agricultural producers' cooperatives represent 55 percent of the total peasant households. On the average each elementary APC consists of 50 households and each advanced APC of 250 households.

THAILAND'S FOREIGN POLICY

By HRH Prince Wan Waithyakorn, Foreign Minister of Thailand

(In an interview in Bangkok with H. C. Taussig, Editor, EASTERN WORLD)

THAILAND firmly supports the United Nations and the free democracies. On these two terms we base our international policy, as was proved when we sent troops to Korea and by the fact that we welcomed the establishment of many offices of the United Nations, including the headquarters of ECAFE, in Bangkok.

Our capital is a centre of international conferences which are going on here the whole time, and we are keen members of SEATO which, this May, opened a permanent office in Bangkok in a house which we have put at its disposal. During the Bandung Conference we were already members of SEATO, and at first I was not quite certain as to how the conference would react to this, but the ten principles adopted by the conference accepted the right of self defence in conformity with the Charter of the UN, and no discrepancy arose. This was fortunate, as Thailand sincerely collaborated in making Bandung a success. I think that all members of the conference, including India and Burma, realise our fundamental policy and what we are after, even our reasons for joining SEATO.

I think we, on the other hand, understand the attitude of India and Burma too, and that the differences of policy may come from the different geographical positions and the general circumstances in which our countries are placed. Burma has a contiguous frontier with China, with a no-man's land in between, there are Communist parties in Burma and therefore the Burmese Government has to remain neutral. But Burmese-Thai relations are most cordial now. Three or four years ago this was not the case, but now both sides have come much nearer to each other, particularly since our two Prime Ministers met. I understand that they liked each other very well indeed.

With India too, our relations have improved and as our Prime Minister is due to visit India next autumn, I think our relations will be even closer and cordial. I also have accepted an invitation to visit India after my return from the United Nations Assembly in New York. India, of course, is very close to Red China. Again, India has a Communist Party, whereas we fortunately have not. This is not due to the fact that it is banned here, but even before our Anti-Communist law was promulgated there was no Communist Party in Thailand. You will not find much, if any, underground activity on the part of the Thais, yet there are some subversive activities carried out by some of the Chinese citizens.

Politically we get along very well with these states in spite of differences of policy, and we are confident that they will support UN policy this year. We want friendship and understanding. As there happen to be two camps, a neutralist group cannot be helped, and this does not mean that we cannot be great friends with our neighbours. Any differences we may have with Cambodia are definitely not because Cam-

bodia is neutralised while Thailand belongs to SEATO. Our relations with that country have now improved, and we want to develop even closer friendship with it. We do not consider Cambodia and Laos as neighbours but as sister nations, and the same applies to Malaya. During the recent visit of Tunku Abdul Rahman we decided to continue our close and cordial relationship when Malaya achieves her independence next year, and we note with interest that the Tunku has already taken over internal security. Concerning the arrangement for the joint suppression of Communist activities on our common border, we came to an understanding to continue such cooperation. The Communist insurgents move from one side to the other, and it is extremely difficult to locate them. If this could be done, bombs would be dropped on them.

As regards Red China, we do not wish to have any relations with her at present, no representation nor trade commission. We would consider recognition only after her admission to the United Nations. Meantime, however, we are voting against her admission. But if there will be the required majority, we shall support it. I do not think, though, that Red China will be admitted in the forthcoming General Assembly. It is not illegal for Thai firms to trade with Red China, except, of course, in the case of strategic goods. But if there are any difficulties, in connection with banking or otherwise, the Thai authorities must not be expected to help. We have always dealt with China through Hong Kong, even in the old days, and also Singapore was used for that trade. We are getting cheap goods from Japan, and we want to encourage trade with that country. Trade with Red China would mean less goods from other countries. In addition, too much was imported in any case from China and re-exported again, and for all these reasons nobody can point out any advantages which would accrue from trade with China.

With some Communist countries we have, or would consider to have, trade relations. Thus Hungary has recently enquired concerning the purchase of rice, and there is a likelihood that deals with Czechoslovakia or Poland would be considered although it has not arisen up to now. All our dealings with these countries would be for economic and not for political reasons, but the fact that they belong to the United Nations is of great importance to us. Our double test in dealing with countries is always whether they are members of UN and whether they are free democracies, in which case there are no difficulties whatsoever. But all our trading with members of UN which are not considered free democracies must be based on rice, and in such cases we do not wish to enter into any cultural exchanges or general consideration of friendship. Each country has to look after its interests, and also Thailand may find it desirable to conclude purely economic deals with countries with which, apart from common membership to UN, she has no other relations. It must

be pointed out, however, that Thailand and the USSR have just raised their diplomatic missions to the status of Embassies.

Thailand's relationship with the United States requires constant explaining. What the US does is quite natural. She supplies us with arms and equipment, and employs methods to which Americans are used. Our ways are different, particularly our ideas of speed, efficiency and time in general. And so are our conceptions of standards. What Americans call a first class road, for example, they mean to be a first class road

by American standards. If our people talk about a first class road, it might be a fourth grade road in America.

I am happy to say that I was able to play a part in bringing about mutual understanding in many of these misunderstandings, and we are now getting on very well indeed. If the US were to adopt different methods and manners, and drop certain ways which we do not understand and to which we are not used, things would be even more perfect. A greater degree of adaptation on both sides will, no doubt, settle all outstanding differences of approach.

Changes in Philippine Villages

By Donn V. Hart

A BASIC weakness in Philippine democratic structure was its non-elective local government officials in the more than 19,000 barrios (villages) of the Republic. Each Philippine province is divided into municipalities; the latter are composed of a number of barrios. Whereas most provincial and municipal officials are elected, the barrio lieutenant (*teniente de barrio*) was appointed by either the municipal counsellor (with the mayor's approval) or the mayor. Recently Republic Act 1408 was passed by Congress to remedy this situation, creating an elective barrio council to extend self-government to rural areas and stimulate economic development and social betterment.

In the past the municipal counsellor or mayor often selected as a barrio lieutenant a relative, tenant, or an individual who had assisted in their election. Sometimes newly-elected municipal counsellors are assigned to districts they have never visited. Under such circumstances real leaders in the barrio (and there usually is one) frequently were bypassed and the barrio lieutenant appointed was a less capable, respected person in the community.

Formerly the barrio lieutenant had little official power, he had no power of taxation, no authority to initiate barrio improvements other than by suggestion, and no privileges of appropriating municipal funds for local needs. Receiving no salary for his work, the barrio lieutenant became a figure-head of little importance in many barrios; sometimes the barrio-folk took their disputes to another elder for informal arbitration. However, some barrio lieutenants became real leaders, based on their personality, ability, and family connections in the community. At the last regular session of Congress, Republic Act No. 1408 was passed (and amended by the special congressional session) to authorise the election of a barrio council in each barrio in the nation. The new councils provide a legal entity in the barrios through which government rural development activities can be channelled.

If one considers the promise of the Act, Senator Gonzales may be correct. However, it is too early to know if this Act will fulfil its promise or merely become another law that is inadequately understood and unrealistic in the light of rural conditions. Briefly, Act 1408 provides for the election of one barrio lieutenant, one councilman each for education, health, and livelihood. For each *sitio* (a barrio may be composed of a number of separate settlements called *sitios*) one vice barrio lieutenant is to be elected. An annual election is to be held on the third Tuesday of January. Council members do not receive any compensation for their services.

Family heads residing in the barrio at least six months prior to the election may vote if 21 years of age or over. At least one-third of the qualified voters must vote during the election for a valid election. Voting may be secret or open, according to the wishes of one-half of the voters present. Some of the barrio council duties are: passing resolutions not inconsistent with laws or ordinances of the municipal government which shall be operative within the community; holding a regular monthly session; making suggestions to the municipal council for improvements in the barrio; publicising new laws and municipal ordinances; organising citizenship lectures tri-annually; and managing all fees and contributions collected in the barrio.

Elections for the newly-created barrio councils were held on January 17 throughout the Philippines. In many regions, however, the elections were not organised because the local municipal authorities had no knowledge of the law or insufficient time existed for proper preparation. The basic instructions regarding the election to provincial governors were not released until late November. Considering the slowness of inter-island mail, the necessity of instructions being passed down from the provincial governor's office to municipal mayors, it is not surprising many had little or no knowledge of the pending election. Personnel of the Adult Education Division of the Bureau of Public Schools observed the elections in many provinces; on the whole, they reported the elections suffered from inadequate preparation. Many barrio-folk did not know about the law or the required election

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until election day; elections were held without a list of voters; and teachers and their students often rounded up the people for an impromptu session. Some Manila newspapers had urged, before the election, that enforcement of Act 1408 be delayed until sufficient preparations were possible.

In Samar barrio the election was held one week late. The municipal councillor arrived one Sunday afternoon and requested that the barrio lieutenant quickly assemble the people for the election. About 100 of an estimated 1,100 population appeared, many wondering what it was all about. Candidates were nominated on the spot and the nominators given five minutes to justify their choice. Elections were held by secret ballot; the election was over in several hours. Several days later a number of people in the barrio did not know that an election had been held; some who attended the affair were confused over its meaning. Sufficient evidence exists to make one think this situation was not unique—especially in those barrios where no visiting dignitaries came to observe democratic processes. On the other hand, the new law was followed in both the letter and spirit in other barrios.

Since nearly two-thirds of Filipinos live in barrios of less than 2,500 people, lacking self-government and tax revenues for barrio improvement, Act 1408 is admirable in purpose. An active, effective elective barrio council would be a vital stimulus for local improvement, a group through which varied (and somewhat administratively confused) government services can be transmitted to local communities. President Magsaysay recently created the Inter-Departmental Task Force for Rural Development, headed by the Under-Secretary of National Defence, Jose Crisol. Secretary Crisol is to be the "eyes and ears" of the President, making on-the-spot decisions for rural improvement. The President hopes to cut the red-tape and irregularities often associated with government rural reforms.

But passing a law often is the easiest step. In the past innovations have been attempted that were splendidly idealistic, yet failed because they overlooked, either from enthusiasm or lack of accurate information, the realities of rural Philippine society. There is little accurate, detailed information on life in Philippine barrios. Filipino intellectual endeavour has been centrifugal, almost entirely towards western culture. As a result of various handicaps, insufficient information, haste prompted by urgent necessity, and politics, many reforms are effective only in a few "model" barrios; elsewhere they are usually quietly disregarded by local officials. Act 1408 reflects the indisputable sincerity and vigour of President Magsaysay in improving rural conditions. In his last message to Congress he said what is good for the common man is good for the nation. Today, largely because of Magsaysay's powerful personality and pre-occupation with rural improvements, helping the barriofolk has become "fashionable."

Some segments of Manila society have "rediscovered" fancy barrio fiestas for their parties. Most local clubs and many newly organised associations are working on rural improvement projects. Many of the clubs are doing fine work in rural areas; other apparently justify their social activities

by claiming they are "labouring for the poor people." Filipino politicians have learned that political power can be gained by courting the once neglected barriofolk—a lesson vividly taught them by President Magsaysay (and later Senator Gonzales) who campaigned through hundreds of barrios into the presidency in 1953. Yet Act 1408 has many disquieting characteristics, many earmarks of another law that will be "on the books" but ineffective in actual life. The Act does not provide for levying real property or other taxes for barrio improvements. "No provision is made to revert any part of taxes on real property or otherwise paid by local citizens to the barrio." Previous criticism of barrio government pointed out a basic change desired was to give the barriofolk some control over local tax funds. The barrio council is granted no real official power; it can merely suggest or recommend to the municipal council. Some government officials claim the law was hastily passed and requires extensive revision.

The new Act implies that barrio councils can provide for fees or contributions to be collected by the barrio treasurer. For example, contributions may be requested for a new school-house or artesian well; yet approval for the fund drive must be obtained first from the Social Welfare Administration—and this often takes so much time that local enthusiasm for the project wanes before permission is granted. Under the Act the barriofolk do not own the building or the well though paid for by the local residents.

For the average barrio resident, his village is composed largely of relatives, either consanguineal or affinal (marriage is predominately endogamous). In addition there are the "relatives" created by the *compadre* (godparent) system. It is not easy, under such circumstances, for councilmen to look after the enforcement of laws, ordinances and resolutions pertaining to matters concerned with their respective offices. If your neighbour's pig ruins your garden, the owner may be your uncle (through the cousin side). If the local treasurer is growing suspiciously rich he may be your *pari* (your child's godfather). Even local opinion may be against one for reporting such violations, particularly if it involves telling on one's relatives. Under such conditions, the decision often is to be silent, and close the incident by not replanting the garden or stopping any contributions to the local treasury.

Today the Philippines, like most South-East Asian countries, is engaged in extensive culture change. Regrettably we know little about culture change, lacking detailed case studies of acceptance and rejection. Officials concerned feel time does not permit extensive investigations before legislation is passed. Many present reforms in the Philippines claim to be of a practical nature; it is stated often that the barriofolk will accept only changes they believe have utility. The future effectiveness of the newly created elective self-government barrio councils will depend largely on the ability of the people to manage intelligently the new tool placed in their hands. Act 1408 is certainly a step in the right direction. The question remains, however, whether in most rural areas the barriofolk can and will follow creatively the path toward increased democratic self-government in their communities.

Anti-Communism in South Viet Nam

By *Tran Tam* (Vice-Chairman of the Anti-Communist League, Saigon)

ALTHOUGH our Government has been in power for a short time only, it has already achieved considerable successes in the economic and political fields. As far as the latter is concerned, we have just organised a National Congress in support of the campaign for the Denunciation of Communist Subversive Activities. This campaign started two years ago, and consists of several phases. We have now finished the first, which is aimed at creating an intensive movement among the people imbuing them with a strong will to fight Communism, and have entered the second phase now which aims at strengthening our ranks and at the same time discovering and denouncing Communist elements in the country under our control.

In this National Congress the representatives of 17 political organisations and syndicates participate, including those of the opposition, as anti-Communism is considered to be the basis of our national policy. As South Vietnam is surrounded by neutral countries, this is of particular importance to us. The People's Committee for the Campaign of Denunciation of Communist Subversive Activities is a member of the Asian People's Anti-Communist League, which is a purely Asian movement as it was initiated by South Korea, Free China and the Philippines.

The eventual reunification of Vietnam is the aim and the aspiration of the entire Vietnamese people and also that of the Ngo Dinh Diem Government which hopes to achieve it by peaceful and democratic means. However, this can only be done if the people in North Vietnam can enjoy the democratic freedoms and principles as they are enjoyed by the people in the free world. If the Communists in North Vietnam want to realise their schemes of aggression in order to put into effect the aims of international Communist policy, then reunification seems to be improbable. But if the Communists change their minds and respect democratic freedom and sincerely desire peace, then it is possible.

So far, however, there has been no progress in that direction, and hopes for reunification remain, for the time being, of a theoretical nature. But in the long run they may well become a reality, based on the firm will and the determination of the Vietnamese people in the whole country to fight against dictatorship and to secure freedom and peace. The power of the Government is based on the will of the people; the Government cannot do anything without them. It is very clear that the Communists are not sincere in their demands for peace. Last year, in October, while they were asking for general elections in all Vietnam, as provided by



Tran Tam

the Geneva Agreement for 1956, they refused at the same time to reunite Germany by the same means. They only want to carry out their particular plots of aggression and are still nurturing their schemes of pressure against us. In fact, this was their main objective when they signed the Geneva Agreement in 1954. Yet it is unlikely that they will succeed, because the situation has changed since then in a way which they do not expect.

Over one million people have left North Vietnam for the south. Further, Bao Dai has been exposed as a valet of the Colonialists, and the various sects have been annihilated. Finally, our Government has carried out social and democratic reforms in South Vietnam by which the living standards of the people has been raised and their freedom and dignity enhanced. Our agrarian reforms have substantially improved the lot of our peasant population and increased agricultural output, while our fight against the four social vices (opium, alcoholism, prostitution and gambling) is making itself felt. Houses of prostitution and gambling, formerly authorised by the Bao Dai Government, have been closed down. Previously, vice had been dominated by the Binh Xuyen sect. For this monopoly, together with police protection, they had paid an initial sum of piastres 3 million to Bao Dai and a daily tax of piastres 500,000. In April, 1955, the Binh Xuyen were driven out and their leader Bay Vien fled to Paris. Another prominent sect, the dissident Hoa Hao, has suffered severely under the blows of the South Vietnam Government. It previously consisted of two main groups. The leader of one group has surrendered to the Government, while the leader of the other one has been captured. It has, therefore, practically ceased to exist. This constitutes a great defeat for the Vietminh, as they intended to use these rebels to sabotage and harm the South Vietnam Government.

The referendum of October 23, 1955, by which 5,721,735 or 98 percent of the electorate chose Ngo Dinh Diem as President and his programme of installing a democratic republic, as well as the elections which followed on March 4, 1956, were the most important landmarks of South Vietnam's statehood so far. They will be followed by the promulgation of a democratic Constitution which is now being drafted and passed by the Constituent Assembly.

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ASIAN SURVEY

THE SATISFACTION OF SYNGMAN RHEE

From a Correspondent in Korea

FROM the pre-election hoardings the self-satisfied face of Syngman Rhee regards the Korean people. No man ever looked more satisfied with himself. He looks benevolently avuncular—a man who knows what is best for his people and who has their best interests at heart. It is only fitting that the reluctant Rhee should have been persuaded by the organised spontaneity of mass demonstrations to submit himself as a Presidential candidate once more.

There is good reason why he should look pleased with himself, for the Americans continue to be pleased with him. The President remains the blue-eyed boy of the United States State Department—a little wilful at times perhaps, inclined to get the bit between his teeth; but never forgetful of his role as defender of the "Free World" in Asia. Here is a man whose public utterances contain enough clichés of the right sort to satisfy even the most suspicious American senator that he is on the side of the angels. Syngman Rhee is safe—a man you can depend on to keep a watchful eye on the Communist aggressors.

These Communist aggressors nobody in the Republic of Korea is allowed to forget. No politician ever makes a speech without mentioning them in the appropriate tone of voice. Whatever is wrong in Korea is their fault. The Communists are being fought with their own weapons; as a consequence none of the fighters commands much respect. The puerile clichés of the Communist news-sheets and magazines are matched only by the spate of nonsense which daily fills the Korean papers and which passes, in this part of the world, for political wisdom.

Yet not only in this part of the world. To many Americans Syngman Rhee is the one man in Asia who can be trusted, and few of them can have regretted that day in July, 1948, when the newly convened right-wing National Assembly elected Yi Sung-man President of the new Republic of Korea. There is no doubt at all of his burning, single-minded patriotism; though the more he proclaims it, the more one is reminded of those quiet words of Edith Cavell about patriotism not being enough. Then, again, Rhee's policy is clear enough for anyone to understand: to unite Korea under his leadership and to remove the threat of the Communist aggressors once and for all. In his eyes, the North Koreans—and back of them the red hordes of China—are waiting their chance to strike back. The only way to hold them at bay is to have a large army manning the frontier, and an even larger army in constant training behind.

Thus something like eighty percent of the Korean budget goes to the support of the armed forces. Nor is there any sign that Syngman Rhee is ever likely to develop his political thinking any further. He is an old man with fixed ideas: the policy of strength will probably last his time. The problems the policy raises are part of the legacy he will leave to his successors.

Nobody living in Korea can be unaware of the desire that exists—among the people who talk of such things—for

national independence. The Koreans share this feeling with other Asian peoples. It is part of the spirit of the age. One feels a special sympathy for the Koreans, who have been pushed around for so long by the Japanese that one can understand their desire to live their own lives. Today, they want nothing to do with the Japanese, even though this attitude does them no good economically. Japan is still the other bogey to be used whenever the Communist threat seems to be weakening. On the other hand—and who can blame them?—they are unwilling to accept the doubtful privilege of being liberated by the Communists. They want to be independent. They want the moon.

Politics has been defined as the art of the possible. An independent government which is to be anything more than a political catchword must be economically viable, able to implement from its own resources the decisions of its leaders or the will of its people. United States' aid to Korea is running at the rate of a thousand million dollars a year, including the cost of maintaining US forces in Korea. Only \$300 million is for economic aid. Nor does this include the great amount of help being given to the country by missionary societies and relief organisations. There is no sign of this aid diminishing for many years.

President Rhee and his advisers look upon a Korean Army of twenty divisions as necessary for the protection of the country. For such a force and for the aid that is needed all the time to buttress the Korean economy, Rhee is utterly dependent on American aid. A free and independent Korea means in practice a Korea financed and supported by the United States. This inevitably gives substance to the Communist charge that the Republic of Korea is an American satellite implementing anti-Communist policies framed in Washington. To which the retort is that the North Koreans carry out policies made in Moscow or Peking. Which is mere mud-slinging.

One may argue that, in this mid-twentieth century, there can be no meaningful independence for a country located like Korea. The benevolent-looking gentleman whose portrait smiles at his people from the hoardings hates the Japanese and hates the Communists. He would fight to the last ditch rather than be subjugated by either; and he is sure he knows what is best for his people. As a realist who has spent nearly half his long life in the United States and whose political views are as "reactionary" as any Communist agitator could wish, Syngman Rhee knows he must have American support to survive. But he can still make himself awkward at times: he knows that the United States is committed and will be prepared to put up with a lot so long as the speeches of Korean politicians continue to castigate the Communist aggressors. And anyone who ceases to view the current struggle in terms of black and white is forgetting on which side his bread is buttered and whence the butter comes.

It is fitting that the placards should show President Rhee as a satisfied man. Maybe sometimes he remembers that other

blue-eyed boy whose name is Chiang Kai-shek, pacing his island and dreaming of the conquest of the mainland. The two men have much in common. To Syngman Rhee the Yalu River is still the frontier of the Korea he rules; he wants to see Korea united before he dies. Therein lies the danger of an old man's dreams. He cannot be stopped from precipitate action. His army is now too big and frontier incidents are so easily provoked.

Korea remains an advanced pawn in the struggle between East and West. Whatever the present politicians and diplomats are achieving, they are not doing much to ensure that the Land of the Morning Calm will remain that way.

PAKISTAN

Plan Without Impact

From Our Karachi Correspondent

Pakistan's Five-Year Plan, first published last month, has scarcely made any great impression, and such as it has made is not by any means all favourable. One section of the press certainly received it with much enthusiastic praise, but another and equally influential section of the press criticised it with some severity and in a sardonic cartoon depicted the Plan as a pea fired from a howitzer.

The Planning Board cannot, obviously, escape responsibility for this depressing upshot of some years' work on which a number of foreign experts have been continuously engaged. The fault seems to lie as much in misconceived presentation as in the terms of the Plan itself. It appears that the Planning Board took no advice as to the manner in which the Plan should be put before the public and it is, seemingly, the Planning Board which produced the 7,000-word "Draft Outline," a document intended for general consumption but which is dreary reading to say the least of it. No explanation has been offered as to the reasons which led the Planning Board to eschew the advice of the Government's own publicity advisers, except that it is understood to have been the view of the Board that planning is a very technical matter and only experts could be expected to grasp its nature and explain it. This threadbare argument overlooks the fact that the business of a publicity adviser is to present abstruse and technical subjects to the public in such a way that they can be comprehended easily and with as much accuracy as is possible. Had proper advice been taken, there is no doubt that public reaction would have been a good deal more favourable than it was.

The Plan itself is contained in three large and impressive volumes which appear to have been printed in insufficient quantity for copies are almost unobtainable. This is a great pity for they contain a wealth of valuable information which all students of Pakistan and eastern affairs will want to have at hand. However, it is believed that more copies are being printed, but in the meantime most people depend on the Draft Outline for information as to the proposals.

The overall scope of the Plan, which calls for an expenditure of 1,160 crores of rupees (say, £870 millions sterling) during the five-year period ending in 1960, seems reasonably well keyed to the potentialities of the country but, even so, the dependence on foreign assistance and private savings is most marked. The prospects of securing funds from foreign sources are probably a good deal better than the prospects of private internal savings for, as to the latter, the

impulse on the part of the individual towards accumulating savings for investment in Government securities and in private enterprise is still feeble and enthusiasm for investment, at one time showing signs of steady growth, was considerably depressed by the unhappy Karnaphulli Paper Mill affair.

The major criticism of the Plan so far evoked is the unbalance between projects for power, agricultural and industrial development on the one hand and the slender provision for social services on the other. Out of the total cost of the Plan, 167.2 crores of rupees are set aside for education, health, housing and social welfare, to which may be added the 24.3 crores provided for Village Aid schemes. The second criticism arises from the undue weight attached to *expertise*, for experience over the last eight years, in Pakistan and elsewhere, is that sometimes the advice of experts is adopted without regard to those considerations by which technical accuracy needs to be modified and sometimes expert advice is ignored when it most needs to be followed. The successful utilisation of expert opinion is itself an art and it was not for nothing that one of the Rothschilds is reported to have said: "Put no trust in wine, women and engineers."

Generally speaking, however, the important thing at present is to re-kindle interest in the Plan and pre-dispose public opinion towards it. This is a pre-requisite without which to go ahead will be difficult.

(Details of Pakistan's Five Year Plan will be found on page 40)

UNITED STATES

"Friends of Viet Nam"

By David C. Williams

(EASTERN WORLD Washington Correspondent)

American interest in Viet Nam—which flared suddenly into existence during the months of Dien Bien Phu and the Geneva Conference in 1954—has declined almost to nothing again since that country has disappeared from the nation's headlines. But, if the recent organisation of "The American Friends of Viet Nam" has any impact upon public opinion, more will be heard about it in the future. The new organisation, which held its first conference in Washington in June, is largely the creation of Joseph Buttinger, an old-time Austrian Socialist who came to America as a refugee from Hitler. After the partition of Viet Nam, he visited Southern Viet Nam as a representative of the International Rescue Committee, to see what could be done for the relief of the hundreds of thousands of refugees from the north.

He has succeeded in enlisting impressive support. General John W. Daniel (US Army, retired), who headed the American training mission to Viet Nam, is the Chairman of the Friends, and General William J. Donovan, wartime head of the Office of Strategic Services (the American "cloak-and-dagger" organisation of World War II) is Honorary Chairman. The Committee includes many Senators and Congressmen of both parties, and ranges from the far right to Norman Thomas, long-time head of the American Socialist Party. The principal speakers at the conference were Walter S. Robertson, the Assistant Secretary of State for Far Eastern Affairs, and Senator John F. Kennedy, a Massachusetts Democrat often mentioned as a possible Vice-Presidential candidate.

Robertson outlined American policies in Viet Nam as follows: "To support a friendly non-Communist Government

in Viet Nam and to help it diminish and eventually eradicate Communist subversion and influence. To help the Government of Viet Nam establish the forces necessary for internal security. To encourage support for Free Viet Nam by the non-Communist world. To aid in the rehabilitation and reconstruction of a country and people ravaged by eight ruinous years of civil and international war."

Noting that the Government of Viet Nam "reaffirmed on April 6 of this year and on other occasions their desire to seek the reunification of Viet Nam by peaceful means," Robertson declared: "In this goal, we support them fully. We hope and pray that the partition of Viet Nam, imposed against the will of the Vietnamese people, will speedily come to an end. For our part we believe in free elections, and we support President Diem fully in his position that, if elections are to be held, there first must be conditions which preclude intimidation or coercion of the electorate. Unless such conditions exist, there can be no free choice."

Senator Kennedy said, in part: "We should not attempt to buy the friendship of the Vietnamese. Nor can we win their hearts by making them dependent upon our handouts. What we must offer them is a revolution — a political, economic, and social revolution far superior to anything the Communists can offer—far more peaceful, far more democratic, and far more locally controlled. Such a revolution will require much from the United States and much from Viet Nam. We must supply capital to replace that drained by the centuries of colonial exploitation; technicians to train those handicapped by deliberate policies of illiteracy; guidance to assist a nation taking those first feeble steps toward the complexities of a republican form of government. . . . Finally, in the councils of the world, we must never permit any diplomatic action adverse to this, one of the youngest members of the family of nations . . . and I include in this injunction a plea that the United States never give its approval to the early nation-wide elections called for by the Geneva Agreement of 1954. Neither the United States nor Free Viet Nam was a party to that agreement—and neither the United States nor Free Viet Nam is ever going to be a party to an election obviously stacked and subverted in advance, urged upon us by those who have already broken their own pledges under the agreement they now seek to enforce."

In Senator's Kennedy's remarks there were undertones—criticism of France, hostility to the Geneva Agreement—which were repeated and amplified by other speakers in the course of the day's conference. Like the organiser of the "Friends," Joseph Buttinger, most of the participants in the conference were vehemently anti-Communist, and many of them had connections with Viet Nam, missionary or military, which reinforced the anti-Communism which prevails in America. Some of the speakers verged upon advocating that America "go it alone" in Viet Nam.

Another note was struck by Dr. Milton Sacks of Brandeis University, one of the very few American scholars in Vietnamese studies. While yielding to none of the other speakers in his desire to see Viet Nam free and democratic, he emphasised that nothing must be done which would in any way give the impression that American policy continued to seek the unity of the country. He also called for the framing of policies which would command substantial support from America's friends and allies and even—although noting he had been a forthright critic of French colonial policy—noted the contributions of French culture to Viet Nam.

AUSTRALIA

Problems in Plenty

By Charles Meeking

(EASTERN WORLD Canberra Correspondent)

Australia's capacity to earn the additional export income which will be essential if overseas reserves are to be kept at a safe level has been affected by the shearers' strike, waterfront disputes and the recent increase of 10s. a week in the basic wage. As a result, imports are still subject to severe restrictions, unemployment is increasing, and there is a considerable prospect of living standards falling from the high and rising level of recent years.

More export income is the main key. It is the objective of the trade talks in London and elsewhere scheduled for June and July, it is the reason for the appointment of more trade commissioners, especially in Asian countries, it was the motive for the recent visit by an Australian trade commissioner to Communist China which may open the way for restoration of large-scale trade between the two countries.

The pressures in Australia have been immense. They have included the settlement in the country of a million migrants since the war, the wool boom of 1951, and a remarkable expansion of secondary industry, assisted by the inflow of capital from the UK and the United States. The cost structure has been complicated by the divergencies in federal and state wage awards, a situation which, by diminishing the prospects of manufactures being exported at competitive prices, causes some anguish to the Federal Government, but which can be remedied, owing to the restrictions of the Constitution, only by all State governments acting in concert with the Federal Government. They have shown little inclination to do this.

This is the background against which the budget is being prepared for submission to Parliament late in August or early in September. The recent economic measures have taken some of the pressures off, and the Government professes to feel a mild degree of optimism. At the same time the export prospects for wheat and dairy produce are reduced seriously as a result of the US surplus disposals policy, a policy unlikely to be modified in a presidential election year.

The political picture shows a considerable drop in the Government's popularity compared with its standing at the election last December. Ministers are not worried, because they feel that the unpopular measures will have justified themselves, and have been modified or abolished, long before the next election which is due at the end of 1958. The Labour Opposition, still gravely divided as this is written, is nevertheless talking boldly, but with no justification, about a new election this year. Even a depression, accompanied by widespread industrial disorder, could hardly produce such an event. Certainly there is no sign that the Senate, where the Government's narrow majority disappeared on July 1, would precipitate another poll.

On the Government side there is a certain truculence and independence apparent among the back-benchers, which impartial observers feel to be a good thing. The Government

has become more complacent during its six and a half years of office, and some of its major legislation has shown signs of carelessness and loss of touch. The major question is the succession as deputy leader of the Liberal party to Sir Eric Harrison, soon to become Australian High Commissioner in London.

The two leading aspirants are the Minister for Labour and National Service, Mr. Harold Holt, who is not yet 50, and the Minister for External Affairs, Mr. Richard Casey, who is in his later sixties. Mr. Holt is generally favoured, but there is surprisingly strong support for Mr. Casey. The significance of the appointment lies in the fact that the deputy would probably succeed Mr. R. G. Menzies if the Prime Minister finds at the Prime Ministers' talks in London a prospect of doing, on behalf of the Commonwealth, the major world tasks which he envisages as essential for world peace and prosperity. It was announced before Mr. Menzies left, incidentally, that he would visit Japan on his return trip, which will also take him to Canada and the US. But there was no official announcement that he also intended to pay his promised visit to Indonesia.

This visit could be highly significant. He will doubtless discuss trade matters in both eastern countries, but in Indonesia he will have to grapple at first hand with the West Irian problem. Attempts in Canberra to put this subject "on ice" have clearly failed. Australia is still officially committed to support of the Dutch retention of the area, but strong

pressures are building up for modification of this attitude. Mr. Menzies will see for himself the strength of the feeling in Indonesia, and it seems possible that later in the year or early next year the 20 members of the parliamentary committee on foreign affairs may also visit Indonesia on this and other matters.

ITALY

Sukarno Looks In

By Our Rome Correspondent

For three days in June Rome was host to President Sukarno, of Indonesia, on an official visit during his world tour, half way between America and Russia. Dr. Sukarno's speech before Congress had been a disappointment to many Americans. This, however, did not influence the President of the Italian Republic, who gave him a very warm personal welcome. Dr. Sukarno's most important political contact was a conversation at the Quirinal, at which Signor Antonio Segni, the Italian Premier, and Signor Martino, the Foreign Minister, were present, besides Mr. Ruslan Abdulgani, Indonesia's Foreign Minister, who is accompanying President Sukarno. At the end, a communiqué was issued where great stress was laid on the collaboration between both countries in the economic field, and where a speeding up of the negotiations for a general treaty of amity and commerce was announced.

This, however, was not the most important issue. The

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communiqué also stated that collaboration between the two countries at the UN was possible, and that there were chances for "concordant action" there. This statement, unimportant as it may appear, opens the road for a real change in Italy's foreign policy. Italy's greatest foreign policy problem always was to find a group of nations with whom collaboration should be possible and dignified, and holding enough weight in the political world balance to make such collaboration worth while. A country that has emerged from a long struggle with imperialism, like Indonesia, generally finds collaboration with imperialist powers and power groups very difficult.

The emergence of the new Asian nations and the formation of the Bandung group—both warmly welcomed by Italian public opinion—offers a solution to the problem of which direction Italian foreign policy should take, and for the first time Italian political circles seem to recognise it officially. Indeed, the form of the communiqué is almost a pledge. The next UN sessions are therefore very likely to see closer collaboration and common voting between the delegations of Italy, and the Bandung Nations.

This assumption is enhanced by the Press conference held by President Sukarno and Mr. Abdulgani at the Indonesian Legation. I asked what Indonesia thought of Italy's aspiration to a non-permanent seat in the Security Council of the UN. Mr. Abdulgani smilingly stated the question to be a "very interesting one"; but he also added that it was difficult to answer, especially as he did not have the Government at hand. "Wait and see," was the conclusion of the answer. Admission to the Security Council is part of Signor Gronchi's policy.

The other question put by your correspondent was less cordially taken and answered: whether Indonesia was sure to obtain, in the future, technical assistance and help without having to make compromises in foreign policy—that is, without accepting the strings that are often attached to it. Mr. Abdulgani, after due consultation with President Sukarno (who was present at the conference, but did not personally answer the questions) rather dryly answered that until now, it has been found possible to avoid strings attached to technical aid, and that there is no reason why they would have to be accepted in the future.

The Press conference was a great success, despite the small number of journalists present. Everyone was fascinated by President Sukarno's personality which they described as "brimming with humanity." To set an instance, one American journalist asked whether President Sukarno was aware of the fact that the UN was investigating "concentration camps for political prisoners in Indonesia." The President and his Minister did not conceal their amusement and commented that the UN committee had come too late. Concentration camps had been in existence under Dutch rule, but had been opened at the moment of liberation. The American insisted that some Dutch were detained as prisoners. Mr. Abdulgani specified that they were Dutchmen concerned with the imperialistic attempts at "reconquest of Indonesia" but they had been released.

Later, at the Indonesian Legation, I was able to speak to the President personally, and I formed the impression that there was no doubt that he was a personality "brimming with humanity." "Why should I not be human," said Sukarno, "I am a country boy—just a country boy."

INDONESIA

Dutch Business

From a Correspondent in Jakarta

There have been few signs here that the abrogation of the Union with the Netherlands has had a deep effect upon the Dutch business community. There is no evident desire on the part of businessmen to be in a hurry to give up hope for the future and depart for their homeland. There are still some 95,000 Dutch nationals in this country, mostly connected in some way with business. It is the professional class that have been leaving at a steady rate in recent years.

It is not an easy and straightforward task for the Indonesian Government to take over the estates that now rest in private foreign hands. Some estate owners claim that they are losing money heavily and have to pay crippling taxes; and they go on to state that if their holdings were nationalised the Government would have to bear this loss—both the loss on the enterprises and the loss of the taxes. Foreign interests still control about eighty percent of the estates, and those which the Government here now runs were taken over, for the most part, from the Netherlands Government, not from private hands.

Now that the special guarantees given to Dutch interests under the Union agreement have lapsed, businessmen are naturally feeling the pinch, but few can claim that they are yet on the verge of bankruptcy. Altogether Dutch business investments can still be counted in millions of guilders. The Indonesian Government policy of eventual nationalisation will mean increasing friction with estate owners, and the Government has recently announced that all matters relating to Dutch business interests in Indonesia "will be regulated by law."

It is only to be expected that the estate owners will plead that while their rubber, oil and tea products play an important part in Indonesia's exports, they still help Indonesia by paying large taxes. But every Indonesian is aware of the big sums that go into foreign pockets. National pride is understandably affronted, because Indonesians think of it this way: "the Dutch exploited our country for long enough when it was a colony. They can no longer expect to do so now we are independent."

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Wage Problems in Asian Countries

By L. Delgado

WAGES represent that share of the national income that goes to labour, either mental or manual. The principles determining what this share shall be are of universal application: in Asia, as elsewhere, wages tend to equate with the productivity of labour. When there is much competition for work, wages may be very near subsistence level: on the other hand, when there is great demand for labour, the workers will claim the whole of their contribution to their product. If the workers claim more than the value of their contribution, the entrepreneur will dismiss workers, stop production, or will substitute machinery for labour whenever he can. Thus wages will vary between the minimum set by the level of subsistence and the maximum set by the productivity of the worker, according to the bargaining strength of employers and workers respectively.

In the West, the range of employment in industry is such that there is a large amount of mobility of labour within each industry, so that wages tend to equality within each industry. Moreover, labour and capital are well organised so that neither takes advantage of the other. None of this is true in the East, and the study before us¹ shows very clearly the gap that exists between East and West in this particular.

In all the countries of Asia there are special considerations that are not applicable in the West. In the first place, the majority of the working population is self-employed, so that wage-earners form a much smaller proportion of the total working population than in the economically advanced countries of the West. Secondly, the great proportion of wage earners are employed on the land, and in most Asian countries more of these labourers are employed on subsistence farms than on plantations. Thirdly, the numbers engaged in modern factories are very small: far more are employed in handicraft and cottage industries. The labour pattern of the East is completed by the large number of wage earners employed performing personal services.

In all these industries, everywhere in Asia except in Japan, productivity is very low, so that the real income per head is among the smallest in the world. In 1950, Asia, with about half of the world's population, produced only 10 percent of the world's income. In 1949, the income per head expressed in US dollars was 100 in Japan, 57 in India, 36 in Burma, and 27 in China, compared with 1,453 in the United States, 856 in New Zealand, and 773 in the UK. These figures contain a margin of error because, for one thing, they do not take into full account the differences in prices and cost of living in each country, but whatever standard we use, poverty in Asia is such an obvious phenomenon that no elaborate evidence is needed to prove its existence. For instance, in Asia and the Far East in 1950-51, food supplies

represented an average of 1,950 calories a day, compared with an average of over 3,000 calories in western Europe, North America, and Australasia. Moreover, the growth of population is more rapid than the increase in production, so that the average standard of living is tending to fall. This rate of increase—over 1½ percent per annum—requires an increase in net capital formation of at least 15 percent per annum. Where is this capital to be found? If it is to come from reduced consumption, would not the decline in consumer demand discourage producers?

A further problem is encountered when we examine the inequalities of income distribution which are so marked throughout the East. The remedy does not consist simply in evolving a suitable fiscal policy: it is essential to expand food production rapidly or mass demand would raise prices very sharply. If the inequality of incomes is combatted by wage regulation, a whole new set of problems arises with the changed relationship between wages and profits, which would now vary significantly not only among different industries but among different firms in the same industry.

Having established the general problem, this ILO study continues with an examination of the various systems adopted with the aim of regulating wages, and a skilful analysis is made of the results obtained in each country. There is so much leeway to make up in the East that, as the Report states, much can be done by allying simple techniques to the large reservoir of surplus labour. It is comparatively easy to put this surplus labour to create national capital, such as irrigation works. The peoples of the East learn modern techniques quickly: in any case, much modern equipment can be worked by semi-skilled labour. It has by now become obvious that wage policies by themselves are insufficient to raise the standard of living. What is needed more than anything else is organising ability on the part of the government concerned. It certainly seems indispensable that in view of the special problems involved the measures required should be implanted from above. Wage increases would lead to inflation unless development is carefully planned, and this would be disastrous.

It is a pity that in this excellent Report, the Chinese scene is surveyed too briefly, and that through pre-war statistics. A tremendous change has undoubtedly occurred in that country, but it must be admitted that the figures supplied officially must be handled with particular care. Nevertheless, in spite of this weakness, the Report is an excellent assessment of the situation. Wages are the purchasing power of most of mankind. More than this: in a wealthy community they provide a large part of the savings used to equip industry. It is to be hoped therefore that those in authority everywhere will read this Report and so become acquainted with the special problems of the East. A solution would transform both East and West.

¹ *Problems of Wage Policy in Asian Countries.* (ILO, Geneva, 1956. \$1.25 or 7s. 6d.)

FROM ALL QUARTERS

Ancient Treatise on Chinese Surgery

The earliest treatise on surgery in Chinese has now been published in a facsimile edition by the People's Medical Publishing House in Peking.

This 5-volume work was written 1,400 years ago by Liu Chuantzu and is entitled "Prescriptions." It deals with such subjects as surgical diagnosis, operational methods and surgical drugs. It is published as part of the series of ancient Chinese medical classics, which is being put out to coincide with the current campaign in the medical profession to study the ancient Chinese medical methods.

The effective traditional treatment of encephalitis is the subject of another book which includes medical reports by China's leading physicians of the traditional school and western trained doctors, and case notes on the treatment.

Acupuncture, which is now being applied for infantile paralysis, nose, ear and throat diseases, is discussed in a study of acupuncture and cautery.

A 235-bed hospital of traditional Chinese medicine with departments of internal medicine, surgery, gynaecology, pediatrics, osteology and acupuncture was recently opened in Peking.

Pacific Ocean Survey

A group of Australian and American scientists have started a two-month survey of the ocean gravity of the Pacific. The investigations are being carried out by submarine which will submerge at places some 50 miles apart, to a depth where it is unaffected by winds, waves and currents. It is hoped that the survey will yield valuable information on the formation and composition of the earth's crust.

Constitutional Commission for Malaya

The appointment of Sir Ivor Jennings, KBE, as the United Kingdom member of the constitutional commission for Malaya was announced last month. The commission is to make recommendations for a form of constitution for a fully self-governing and independent Federation of Malaya within the Commonwealth. It is to be a small body selected in agreement with the Conference of Rulers and Alliance Ministers. It will have a United Kingdom Chairman (the Rt. Hon. Lord Reid) and Canada, Australia, India and Pakistan have each agreed to nominate a member.

Sir Ivor Jennings was a member of the Commission on University Education in Malaya in 1947, a member of the Commission on the Ceylon Constitution, 1948, and Constitutional Adviser and Chief Draftsman, Pakistan 1954-1955.

French India Transfer

The treaty formally ceding to India the last of the French settlements of Pondicherry, Mahé, Karikal and Yanam was signed in Delhi on May 28 by Mr. Nehru and Count Ostrorog, the French Ambassador.

Under the provisions of the treaty, the present administrative status of the territories is to be maintained, and French is to be the administrative language, until the people's representatives decide otherwise. Inhabitants born in the settlements will automatically acquire Indian nationality unless they decide within six months to retain French nationality. The Indian Government has undertaken to repay immediately to the French Government the full amount of Treasury loans

made to the territories, and French citizens have 10 years in which to repatriate property and capital.

The French Government, or recognised private organisations will be allowed to maintain religious and cultural establishments; the French Institute in Pondicherry is to continue as a research and advanced educational establishment and the Government of India will provide facilities to further its activities. French degrees and diplomas will be recognised for admission to higher studies and the Administration. All records of historical interest are to be handed over to the French Government while the Indian authorities retain those needed for administrative purposes.

After the signing of the treaty, Mr. Nehru expressed his appreciation of the friendly and cooperative attitude of the French Government throughout the negotiations. He recalled that it was only 19 months since the *de facto* transfer was made, and it was expected that the necessary ratifications would take place before long. Mr. Nehru added that India had shown great patience in regard to some of the foreign establishments in the country and that patience had borne fruit in regard to the French establishments. But, he added, the same could not be said concerning the Portuguese settlements.

Nepal to Abolish Feudatory States

The Government of Nepal has decided to abolish the feudatory states in the country after paying reasonable compensation. There are many such states in Nepal and they maintain their own courts and are independent in internal matters of administration.

Dutch-Indonesian Relations

In an address delivered to the "Nederland-Indonesia" society in the Netherlands recently, Professor Teew, Professor of the Indonesian language at Leyden University, discussed the relations between Indonesia and the Netherlands since the failure of their talks in Geneva.

He observed that it could easily be established that the Indonesian-Dutch Union, which "we imposed on the Indonesians as a condition for their political sovereignty was nothing but an elaborate camouflage serving to safeguard our economic interests in Indonesia." The Dutch never seriously tried to give a positive meaning to the Union.

Referring to the dispute about West Irian, Professor Teew said that since 1945 it was a matter of course to the Indonesian leaders that this territory should be incorporated in the future Indonesian state. The Dutch had very little argument to meet Indonesia's historic claims to this territory.

In regard to prosecutions of Dutch nationals in Indonesia, the Professor said that he was amazed at the fact that many of the Dutch legal experts who had protested against the conduct of the trials did not make any efforts to inquire about the possibility of handing over Westerling, whose actions in Indonesia did not satisfy anybody's sense of justice, to the Indonesian authorities. For this reason, the Dutch protests against the Jungschlaeger and Schmidt cases sounded hypocritical to Indonesian ears.

Professor Teew added that the time had come for the Dutch people to examine critically and honestly their attitude towards Indonesia.

LONDON NOTEBOOK

Honouring Captain Cook

A small, but unique exhibition to illustrate the work and life of Captain James Cook, the explorer and navigator, has been arranged, most fittingly since Cook was one of the four Captains of Greenwich Hospital, at the delightful National Maritime Museum, Greenwich. A modest man, whose straightforward character and courage and lack of personal vanity are strikingly evident not only from his records, but from the portraits and medallions in existence, his career as a circumnavigator was not accompanied by any fighting for gold, or personal glory, but each of his three famous voyages was entirely exploratory. Public recognition of his voyages was slow, and it was not until 1914 that a statue of him was erected in London. However, it is good to learn that the first comprehensive edition of his travels and records is at last being collated, sponsored by the Hakluyt Society and the Government of New Zealand. One of the most interesting items in the exhibition, in fact, is a chart of New Zealand, drawn by Cook himself, for it was as a hydrographer that he first made his name. The map is beautifully executed, the coast line is dotted with such names as Poverty Bay, Cape Foulwind, Cape Turnagain, names that read like *Pilgrim's Progress*. Cook was accompanied on his voyages by artists who were able to record this incredible new world—the landscapes, the islanders themselves, various anchorages and coastal scenes. The charm of these pictures and the wonders they portray is as apparent today as it must have been to Cook's contemporaries. Cook has been called the greatest maritime explorer of his country in any age, and this exhibition serves to underline the importance of his contributions to both history and geography.

Children's Conference on Pakistan

Last month, nearly a thousand children from London schools attended a two day Conference on Pakistan. The Conference was one of a regular series organised by the Council for Education in World Citizenship, an affiliated organisation of the United Nations Association.

The programme included films, dancing, and a series of talks by Pakistani speakers. The first, Mrs. Vahid, discussed education, everyday life and the role of women in Pakistan today. A general geographical picture of Pakistan was given by Mr. A. D. Azhar, and Dr. Imdad Husain spoke about Islam and its influence in Pakistan. The talks were entirely non-political but each day, at question time, the inevitable problem of Kashmir was discussed. The speakers naturally put the Pakistani point of view. The Chairman, Mr. Terence Lawson, pointed out that the speakers had given a very fair outline of Pakistan's

position, but that the children should ask their teachers to find out the Indian standpoint too. Later each day the tables were turned when two teams of five children each, picked at random from the audience, were asked questions by the speakers based on the films they had seen, or the discussions. The answers showed an extremely intelligent grasp of the facts. The average age of the audience was 14-15 years.

Japanese Medieval Sculpture

For the first time the British Museum is able to exhibit an example of the great school of realistic wood figure carving of the Kamakura period which was initiated by the Buddhist monk Unkei. The sculp-

Burmese Ambassador, on behalf of the Burma Government. A large number of guests, which included some well known political and diplomatic figures, gathered in one of the Embassy rooms under the glare of television arc lights to see the Ambassador, in national dress, confer the Order.

On the raised platform with the Ambassador and Lord Ogmore were Earl Mountbatten of Burma and Sir Hubert Rance, both of whom had previously received a decoration at the hands of the former Prime Minister, U Nu, in Rangoon. U Kyin's 12-minute speech was something of a *tour de force*. Delivered in



Japanese Wood Figure in the British Museum

ture is considered to belong to the period 1290-1295, and was recently acquired by the Museum.

The carving is life-size and the head is so lifelike that it can be assumed that it is a portrait of an actual priest commemorated in the guise of a canonised saint or *Arhat*. The material is pawlonia wood, and as was the usual practice in Kamakura times, the figure is carved in a number of sections, morticed together. The whole figure was originally covered with gesso and painted laquer but most of this has now disappeared. The carving is well-preserved and is a worthy representative of a great style.

Burmese Order for Lord Ogmore

The Embassy of the Union of Burma in London was the scene of a short but impressive ceremony on June 18 when Lord Ogmore, the British Labour Peer, was presented with the Order of Agga Maha Thray Sithu by HE U Kyin, the

a clear incisive fashion without reference to notes, the Ambassador gave the background of Lord Ogmore's connection with Burma, and of how much, as Col. Rees-Williams, he had done towards shaping the plan for independence. U Kyin spoke of the parts played by Lord Mountbatten and Sir Hubert Rance in preparing Burma for self-government, and he thanked Lord Ogmore for the work he had done as head of a mission which inquired into the position of the minority races of Burma.

Pointing to the five small stars that surrounded the large star in the corner of his country's national flag—which formed a backcloth to the ceremony—the Ambassador said that those smaller stars symbolised the Union of the Burmans, Karens, Shans, Kachins, and Chins who make up the Republic of Burma. It was, he said, in some part due to Lord Ogmore's work that these communities were now integrated and working together in independent Burma.



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BOOKS on the

Last and First in Burma (1941-48) by MAURICE COLLIS (*Faber, 30s.*)

The last years of British rule and the beginning of the independent state of Burma are described in these pages with much sympathy and understanding for both sides. Mr. Collis, well-known for his authorship of a number of novels and history books on Burma and other Asian countries, demonstrates once again his ability to weave together the movement of events and people.

The book is largely a vindication of Sir Reginald Dorman-Smith, penultimate British Governor of Burma, whom it shows as a victim of circumstances, passed by history without redress. Attlee's Labour Government believed him incapable of coping with the rebellious situation of post-war Burma, while the nationalist Burmese under General Aung San suspected him of trying to reintroduce full British rule over them, instead of aiding them to independence. Attlee cut the Gordian knot by summarily dismissing him and appointing Sir Hubert Rance in his place to negotiate with Burma. Dorman-Smith placed his personal documents and much official information at the disposal of Mr. Collis, to defend his honour as a friend of Burma and keep a niche for him in the history of Britain's colonial rule.

But whatever the final judgement on Dorman-Smith, it is dwarfed by the epic character of those last weeks of the war against Japan, and by the stature of its *dramatis personae*: Sir Winston Churchill; that remarkable American General Stilwell; Generalissimo Chiang Kai-shek, whom Stilwell detested; the various British commanders, Mountbatten, Alexander, Wavell and Auchinleck; Aung San, the young Burmese leader who was later assassinated—to mention a few of the most outstanding. The author has met them all and they stand out of his pages as living and convincing human beings. The book, which will long remain a source book for historians, is also of very great interest to the general reader.

K. P. GHOSH

The Boxer Catastrophe by CHESTER C. TAN (*Columbia University Press, London: Geoffrey Cumberlege, 36s.*)

Mr. Tan's study of the Boxer Rebellion is intended to fill the gap left by many previous studies which have failed to tap the Chinese sources in any appreciable volume, and have relied in the main on available western evidence. This, then, is one hole plugged; but another still remains, for there are only two references to Japanese documents or studies in the whole of the work, and a very full bibliography of Chinese works on the Boxers is, by design, limited so as not to include Japanese evidence. Thus, in certain contexts which call for the use of sources of Japanese provenance — such as the Japanese position in regard to the Sino-Russian discussions on the settlement of the Manchurian problem, or the statement of public feeling in Tokyo over this same question—there is either no statement of the source of the evidence brought, or else it is of British or Russian origin.

Mr. Tan is not at his happiest until he can grapple with the intricacies of chronologically dove-tailing sources of varied origin, a task which he performs very ably and with admirable clarity. But there is a feeling of almost indecent haste to get

FAR EAST

down to this central work; one would have welcomed a more leisurely and informative introductory section, treating of the secret practices of the Boxers, of their derivations and antecedents, and of Chinese secret societies in general, all of which would have been quite in order, in view of the re-statement of the old question of the nature of the Boxers—secret society, or local militia.

The story of the progress of the rebellion, together with a detailed account of the attitudes of the chief actors on China's political and military stages at the time, and of the negotiations with the foreign ministers, is followed by a description of the Russian occupation of Manchuria, of subsequent discussions, and finally, of the manoeuvring among the powers on the matter of the indemnity, its sum, and the method of payment.

G.B.

Reformers in India by KENNETH INGHAM (*Cambridge University Press*, 18s.)

Although a great deal has been written about missionary activity in India during the early part of the nineteenth century, either to praise or discredit it, there has not been any attempt to record the social aspects of Christian missionaries' work, as distinct from evangelical achievements. The years 1793 and 1833 were singularly appropriate time limits for this record. In 1793 the first agents of the newer missionary societies arrived in India and in the same year the East India Company's Charter was renewed but the Act omitted the parliamentary resolution which had urged the Presidency Governments to take steps for the improvement of the education and social conditions of their Indian subjects. By 1833 Christian missionaries were entering India in larger numbers and their work consequently had expanded. This is an account of their activities in education, attacks on caste, sati and "idolotrous" Hindu practices, with consequent changes in legislation and their studies in Indian languages and literature. Medicine and agriculture, surprisingly enough, were not such fertile fields for missionary endeavours.

B.B.

Selected Works of Mao Tse-Tung, Vol. IV. (*Lawrence and Wishart*, 6s.)

This volume of Mao's writings during the period of the war against Japan, 1941-1945, is an invaluable aid to understanding much that has happened in China since then. The pages fairly breathe confidence, almost, indeed, the certain knowledge of an ultimate Communist victory over both Japan and Chiang Kai-shek. This was the period in which even the Soviet Union could not have been fully aware of the Chinese Communists, since it was prepared at the Yalta Conference in 1945 to accept Chiang Kai-shek's Nationalist Government as the legitimate authority in China.

Mao in 1945, while still fighting on two fronts, against the Japanese and against the Kuomintang, was already outlining the home and foreign policies which China would follow after the war. The problems he dealt with included agrarian reform, industrialisation, self-determination for all the nationalities of China, and the basic principles of a foreign policy:

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treatment as equals and mutual help in promoting national and popular interests and in advancing the friendship between nations and peoples.

With an almost uncanny prescience, Mao hoped for India's independence because "an independent and democratic India is not only the demand of the Indian people but also a necessity of world peace." He also mentioned Burma, Malaya, Indonesia, Viet Nam and the Philippines, who, too, must "win the right to form their respective independent and democratic states." Herein seems to lie at least a partial explanation of the consistency of China's foreign policy towards the South-East Asian countries.

Addressing the Central Party School of the Chinese Communist Party in 1942, Mao Tse-tung said that "they ought to learn the truth that many so-called intellectuals are relatively the least knowledgeable." Such sallies are always a sure-fire hit with a working-class audience, but Mao had in mind something more serious than scoring a point. He was stressing China's need for intellectuals, and how to turn people "who have only bookish knowledge into real intellectuals! His advice to them was to study practical problems and take part in practical work. It seems to have borne fruit, since visitors to China today all seem impressed by the practical intellectuals they meet there, engaged in the country's reconstruction work. It is a great pity that so valuable a book should lack an index to the mass of material packed into its 348 pages.

K. P. GHOSH.

Japan's Northern Frontier by JOHN A. HARRISON (University of Florida Press, \$4.75)

This book, a study in colonisation and expansion in Hokkaido, and of Japan's relations with Russia through the nineteenth century, is eminently timely. Mr. Harrison leads us through the various phases in the eighteenth and nineteenth centuries, when fear of a foreign threat from Russian interest in, and possession of the northern approaches—a fear fanned and exaggerated by a nationalist school of historiography in Japan — led to vacillations of policy concerning Hokkaido, first, the grant in fief to the Matsumae, then interference by the Tokyo government, and so on.

There follows a close study of the colonial period proper, under Kaitakushi administration. Much was hoped for from the development of Hokkaido — witness the Meiji rescript; "The flourishing condition of the Imperial Power is dependent on the colonisation and exploitation of Hokkaido." But in spite of many attractive, (and familiar-sounding) aids to the would-be settler, such as free passages and housing, the grant of land and tools, and a daily rice ration for the first year in the new territory, the scheme did not seem to attract men of the right calibre, and there were, of course, many opportunities for under-hand dealings on the part of the administrators; they could, for example, corner the best land, and hold it back, selling it in the end at inflationary prices.

Interspersed with the story of the colonisation, is that of relations with Russia, and the *modus vivendi* reached at the Treaty of Shimoda. There are interesting and useful appendices, which treat of the discovery of Yezo — Hokkaido — by the western world, and give the texts of relevant treaties, while a very complete twenty-page bibliography introduces both Japanese and western language material.

G.B.

The Art and Architecture of China by LAURENCE SICKMAN and ALEXANDER SOPER (*Penguin Books: The Pelican History of Art*, 45s.)

If all the books on Chinese art were laid end to end they would certainly stretch further than the distance covered by the caravan route from Peking to Lhasa across the Gobi Desert. Yet there is an insistent demand for more and more enlightenment on a subject whose perennial attractions seem to grow with the years. This volume in the comprehensive Pelican History of Art will satisfy many who are beyond the reach of current specialist works.

The competent authors disarm criticism at the outset by stating the obvious fact that no complete survey is possible in the present imperfect state of our source materials. Yet a glance at the bibliography will show what a bulk of material already exists for the western reader. Perhaps it is that so much of this published matter retreads old and familiar ground; we ourselves are aware of more than a dozen serious works which devote several pages to a discussion of Hsieh Ho's *Canons of Painting*—a problem succinctly and mercifully dealt with in two paragraphs in this work.

Yet it is natural that a subject whose manifestations cover more than four thousand years will need a library rather than a single volume to record its history. Chinese art has left us many examples of early sculpture and bronzes, carvings of jade and other hardstones, some early paintings and innumerable later ones, bewitching designs in pottery and porcelain and even the well-known "iron-pictures." The authors have chosen carefully among this heritage and the result is a reference work of trustworthy text illustrated by 31 text figures and 190 plates.

Mr. Laurence Sickman is responsible for the section dealing with Painting and Sculpture from the beginnings down to the end of the Manchu dynasty. Professor Alexander Soper is concerned with the groundwork and main achievements of Chinese Architecture from prehistoric origins to the beginning of the Republic. Both writers are known for their long experience in dealing with the minutiae of their subjects, Professor Soper having quite recently translated a Chinese work on the art of painting. They have not hesitated to use the best authorities whether native or foreign, and the result is this admirably clear and concise work. The illustrations are well chosen and the production as a whole reaches a high standard.

NEVILLE WHYMANT

A Concise English-Chinese Dictionary by SHAU WING CHAN (*Stanford University Press, London: Geoffrey Cumberlege*, 52s.)

The second edition of this dictionary which was originally published in 1946, contains several additions and new features. There is a list of suggestions for the pronunciation of romanised Chinese according to the Wade-Giles system. Dr. Chan has rightly stuck to the system, for in spite of its misleading spellings—a fault which it shares with most of the suggested alternatives—it does at least have the merit of almost general use. There are a number of misprints in this important section—q for a, on page xv, and ad for dz on page xvi—and several of the examples chosen for the elucidation of the Chinese sounds could have been more fortunate. I am not so sure that I make any distinction, or would readily recognise one, between the "k" in "sky," and that in "Kansas," or the "t" in "style" and that in "tame." Yet these are here made to convey very vital distinctions. The new edition also contains an addenda section, in alphabetical order

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by the English key word, of about 550 entries, which lists many recent terms.

The body of the dictionary lists 7,500 English words, gives the part of speech as which it is treated in the appropriate Chinese translation, a romanised rendering of the Chinese term, with superscript figures, 1 to 4, for the tone (and with 0 used for a neutral-tone syllable, as is fully explained in an introductory note on the tones), and finally, the characters of the Chinese term. The dictionary aims more especially at the man with some degree of knowledge of Chinese, who needs to speak, although it is valuable as well for the person with less knowledge, or for the reader.

GEOFFREY BOWNAS

Labour Law in Malaya by CHARLES GAMBA (Singapore: Donald Moore, \$1.75)

In a brief essay of 46 pages, Mr. Gamba has sketched the history of plantation labour and labour legislation in Malaya, and in conclusion has offered certain suggestions for promoting industrial peace. A Lecturer in Economics at the University of Malaya, Mr. Gamba has studiously avoided any criticism of the Governments and employers of the peninsula and Singapore. He even claims, without supporting evidence, that "the present code of the Malayan Labour Law is probably the most advanced, and certainly the most effective in South-East Asia." Mr. Gamba seems to write from the official point of view, but his concluding advice to the trade unions to better their organisation and the quality of their leadership is unexceptionable.

K.P.G.

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The Living Lotus by ETHEL MANNIN (*Jarrollds*, 15s.)

The theme of this novel is a not unusual one—the conflict of loyalties of a girl who is half Asian and half European, but seldom have the emotional conflicts been presented with such an understanding of the two entirely differing backgrounds involved.

In brief, the story concerns an Anglo-Burmese girl, whose father is an English officer in the Imperial Forest Service in Burma, and whose mother is a Burmese Buddhist. When war comes, the family are forced to flee to safety, and while crossing a river the mother and daughter are swept away and believed to be drowned. The girl, however, is rescued and adopted by a Burmese family and brought up as a Burmese eventually marrying a Burmese boy. In the meantime, the father has returned to England, and learns by chance that his daughter is still alive and feels that it is his duty to bring her to her real home and to turn her into an English "miss."

It is not a success, as the girl, Jenny, cannot feel at home in cold, grey, and to her, unfriendly London. She cannot adapt herself to western ways of dress, or manners, or religion. Eventually her father dies and she is able to return to Rangoon and her husband. The story is neatly devised and the Burmese background, although not over-obtrusive, has been carefully observed and the Burmese characters—the girl's mother, her friends, villagers and so on—are entirely convincing.

B.M.K.

The Colour Curtain by RICHARD WRIGHT (*Dobson*, 12s. 6d.)

The author of this book is the well-known American Negro whose semi-autobiographical novels *Black Boy* and *Native Son* made a sensation during and after the war. Gunnar Myrdal, Executive Secretary of the ECE, in a foreword, characterises the "specific objectivity" of the author's "clear definition of the very personal point from which he views things."

Mr. Wright looked at Bandung from the point of view of race and religion, of psychological impact, and saw it as a gigantic challenge by the coloured peoples to the white West. In this he shares, in a curiously inverted fashion, the fears of that self-same West, and suggests as a solution of the needs of the Afro-Asian world a fusion of what he calls "eastern and western rationalism."

"After all," he argues, "the *élite* of Asia and Africa, for the most part educated in the West, is western, more western than the West, in most cases. . . ."

Mr. Wright stops short of suggesting specific measures, but is vaguely in favour of western "interference"—benevolent, of course—which he admits roused the suspicions even of an American official with whom he discussed the subject. If the Afro-Asian peoples are not to fall into the arms of Communism, then the West must find ways of helping them on "new terms . . . that will fit the nature of the human materials involved."

The same conclusion has been propounded in half a hundred differing terms by as many authors, and is the least important part of the book. Its value and interest lie on quite another plane. What strikes the reader at once as significant is the excitement roused by Bandung in Mr. Wright himself, and in a very large number of other American Negroes. Then there is the vividness of the many pen-portraits of people with whom the author spoke, all of whom felt that Bandung in one way or another impinged on their lives. Most of them were

Asians he met at the Conference, but he also records his conversations in Europe and elsewhere with people of many races, including Europeans. On the whole, therefore, the rather formal sub-title "A Report on the Bandung Conference" is misleading. The book is a lively, highly personal, and completely sincere account of the author's own reactions to the many shades of Asian thought and feeling he has so sensitively recorded here.

PAULA WIKING

Books and Publications Received

Equities by LILA RAY (London: Indian Institute of Culture, 4s. 6d.)

The History of the Former Han Dynasty by PAN KU. Translated by HOMER H. DUBS and P'AN LO-CHI (Baltimore: Waverley Press, \$7.50)

Chinese Social History by E-TU ZEN SUN and JOHN DE FRANCIS (Washington: American Council of Learned Societies, \$7.00)

The Teaching of Reading and Writing by WILLIAM S. GRAY (Evans and Unesco, 18s. 6d.)

Nationalism and Communism in East Asia (Second Edition) by W. MACMAHON BALL (Cambridge University Press, 30s.)

Tales of a Grandfather from Assam by LAKSHMINATH BEZBAROA (London: Indian Institute of Culture, 9s.)

REVIEW OF REVIEWS

A RANDOM selection of the periodicals received this month shows that Japan is occupying a prominent place in the study of Asian affairs. From the political angle, a succinct appraisal of Japanese political life since the war is given by I. I. Morris in *Politique Etrangere* (Paris, June). He summarises the effect of the Occupation on Japan, and says that Japan was not only treated as an ex-enemy or as a possible menace, but as a country whose people had suffered through the faults of their old political system. But in spite of the Occupation reforms the respect for traditional authority and the spirit of paternalism are still powerful in Japan today, particularly in the provincial areas, where little or no interest is shown in political matters. The author maintains that the gradual reversal of the liberalising process introduced by the Occupation authorities is beginning to make itself felt—xenophobia is again evident in administrative circles, police methods are reverting to their former aspect, particularly where strangers are involved—pointers, he concludes, to the way in which Japan may be going.

As far as the political parties themselves are concerned, in the guise of fighting Communism and "excessive liberalism" the conservative elements are pressing for the restriction of

both political and economic rights, the fruits of the first period of Occupation. Japan's best hope for a democratic future seems to rest in the stability of her economy. An old story, but how is she to achieve this? *The Oriental Economist* (Tokyo, May) in an article on Japan's cooperation in South-East Asia says that to a certain extent the South-East Asian market has become indispensable to her, mainly because of the loss of the continental China market and of overseas territories. Although Japanese exports had grown in volume considerably since 1954, this was due mostly to the prosperity enjoyed by western countries. The United States, who is Japan's biggest customer, is also the biggest supplier of goods and Japan's biggest creditor, therefore the future of this market cannot be guaranteed. Thus, although the South-East Asian market would not provide a cure-all for Japan's economic troubles, it would certainly go a long way to alleviate them.

The economic and social "renaissance" in Japan is also discussed in *Rythmes du Monde* (Paris, Volume IV No. 1) by Professor H. Van Straelen of the Catholic University of Nagoya, Japan—who takes a more sanguine view of the re-birth of Japanese patriotism with special stress, as becomes a missionary journal, on the moral uplift which is accompanying this resurgence of national feeling. The approaches by Peking to establish some sort of relations with Japan are seen in a sinister light, in particular, Peking's offer to take fifty Japanese students who are suffering from tuberculosis to recuperate in Chinese sanatoria, since they would then become propagandists for Communism on their return to Japan! He is of the opinion, again reverting to the question of Japan's trade with China, that this trade is somewhat overrated, and that Japan's best hope for future markets lies in South-East Asia.

Turning to more domestic matters, *Contemporary Japan* (Tokyo, Nos. 1-3) carries an article on a subject which is seldom discussed outside that country, namely the fate of the innumerable orphans and illegitimate children of mixed Japanese-American parentage. The plight of these children has aroused the attention of many charitable bodies both American and Japanese, and the writer describes the attempts which are being made, with varying success, to give the children a more settled life. Some of the most dramatic changes have happened to the children of part-Negro parentage, whose situation in Japan was an uneasy one. The warm affection and the relaxed quality of American negro life has given those children who were lucky enough to be adopted a more settled future with relatives in America.

DEVIL-DANCING BY CEYLON'S COAST VEDDAHS

By S. V. O. Somanader (Kalkudah, Ceylon)

THE devil-dancing ceremony usually performed in August by the Coast Veddahs of Ceylon is based on their traditional belief that the outbreak of epidemic diseases among the tribe is caused by the introduction of the Evil Spirit brought long ago by the foreigner ("The White Man") to the shores of Ceylon. As he is supposed to have brought them in his sailing ships, the devil which causes diseases such as cholera, small-pox and plague, is known as the Ship-demon (called by them *Kappal-Pay*). For this reason, the tribe performs an elaborate devil-dancing ceremony not only to propi-

tiate, with offerings, what they consider to be a most malevolent demon, but to drive it away to the sea from whence it is supposed to have arrived.

The day before the ceremony takes place, the Veddahs' crude jungle temple is decorated with cloth, the green branches of trees, and tender coconut leaves. Outside the temple several altars are built, all adorned with strips of coconut-palm leaves and other greenery. The altars are also covered with cloth canopies of white and red. Prior to the ceremony proper, several preliminaries are gone through, the



Three devil-dancers resting in the arms of their supporters. In the background are the altars and offerings of rice and other food

devotees fasting and the ministrant (usually the Veddah chief) chanting songs throughout the night to the loud beat of the drum made of goat-skin or monkey-skin.

The next morning, in front of the temple, a tall, stout, pole is erected, and on it are tied, at intervals, bunches of the shoots of margosa leaves. On the top of this pole, which represents a sort of mast, is often hoisted the model of a sailing-boat—for did not the demon of the White Man come in a sailing-ship of bygone days?—to indicate to the Spirit that the rites are intended for its propitiation. Close to the mast is put up a *kudaram* (altar) meant for the worship of the ship-demon, and gaily decorated with the conventional palm-leaves shredded or plaited together. The structure has an earthen pot resting on it. Not far from it is built another *kudaram* which nobody is allowed to approach, except, of course, the ministrant who is the master of ceremonies. This latter altar contains, as it were, the sacred relics and weapons used by the ship-demon, and incidentally of other spirits which these people worship.

Then the real ceremony begins, with the cooking of rice mixed with coconut milk. This food is to be presented later on with the other customary offerings of arecanuts, betel, shoe-flowers, young coconuts, and plantains, for the appeasement of the *Kappal-Pay*.

When everything is ready the devil-dancers come out from the temple, each in a trance. Their hair is loose and they wear garments made of shredded coconut-leaves and the leafy twigs of other trees. There are more than half-a-dozen dancers, excluding the ministrant, all "possessed." Each one wears a pair of *silamboos* (copper-bangles) which jingle around their wrists as they wave their hands violently, and each man carries, within his tightly-clasped hands, a bunch of margosa leaves. The ministrant wears, in addition, around his ankles leather-pads to which are attached bells which give a rhythm to the wild dancing, inspired by the beats of the indispensable drum. Behind each dancer stands another Coast Veddah ready to support the possessed man when he swoons, or otherwise loses his balance in his highly ecstatic state.

First, the dancers begin to go round the temple, wildly shouting "Hah! Hah! Hah!" their fiery eyes and frowning stare showing their intense religious fervour. As they begin to get more and more possessed, their eyes begin to roll and, with dishevelled hair falling loosely in front and behind, they move their heads up and down. Often, they quiver as they dance, and as their steps become faster, they grow wilder and shout loudly. And then, when fatigued, they automatically fall into the arms of their supporters, remaining in a semi-conscious condition for several minutes, till water is dashed on them to revive them.

At times, the frenzied dancers rush to the temple altar, and having burned camphor and other incense, and performed other rites, run out of the temple into the courtyard, the ministrant imploring the Demon, in a low voice, to accept the offerings, and cause the ceremony to finish soon. The dancers go round the other *kudarams* in the same manner, and also round the "mast." With frantic shouts, they dance violently around it, beating the leaves tied to it with the leaves they hold firmly in their hands. The ministrant, who becomes the most possessed of all, is now received, his whole body trembling and quaking, by one of the older Veddahs. The latter, quite composed, revives him in a few seconds by dashing water on him, after the recital of certain incantations. But he is revived only to be possessed again.

A pot is then placed on a tripod made of jungle sticks. It is decorated with jungle flowers and fruits, and filled with other offerings. The possessed ministrant puts his head inside the vessel as though he is inspecting the contents, and dances again to show, as it were, his approval, or rather, the possessed ship-demon's approval, of the gifts.

The ceremony thus goes on until noon, when the whole party amidst the great din produced by the shouts, drum, bells and bangles—not to mention the peculiar sounds made by the women who twist and roll their tongues as a sign of support and approval—make their way to the sea shore. As they march, little girls, chosen by the dancers in their possessed condition in the temple, walk ahead. Following them are the ministrant and supporters, all moving under a cloth canopy held over their heads by other Veddah men. The women and children, besides other interested spectators who do not belong to the Veddah tribe, bring up the rear. The ministrant, under the centre of the overhanging canopy, carries in both hands the statue of one of the Veddah's gods who has been summoned to help to chase the ship-demon back to the vast ocean which stretches before them. The procession halts on the sea shore where a special ritual called *Kumbam* is performed.

After going through other ceremonies on the beach, the dancers, supported by their helpers, and headed by the ministrant, plunge into the sea and indulge in a kind of sacred bath. Since the ship-demon has apparently been driven away from its habitation for at least another year, that is, till the next annual ceremony, all return to the temple. Here, the food, cooked and placed on the *kudaram* as an offering to the *Kappal-Pay*, is eaten by all those assembled there. After the feast the suppliants return to their huts, with great joy and satisfaction, for they are certain that as a result of this propitiatory ceremony, no affliction will visit them for at least another year.

ROMAN LINKS WITH INDIA

By James H. Jacques

IN the oldest European history, that of Herodotus, we read that a contingent of Indian troops fought on Greek soil under the Persian general Mardonius at the battle of Plataea in 479 BC. Again in 331 BC at Gaugamela, in the battle which finally decided the fate of the Persian Empire, Indian detachments with a few elephants fought beside the body-guard of Darius and impressed the Greeks by their courage and dash. In the spring of 326 BC Alexander crossed the Indus and in the person of Porus met a king who, even in defeat, proudly claimed to be his equal. Fate and the course of history had brought East and West, Indian and European, face to face for the first time.

Alexander died and his empire fell to pieces. In Iran the Parthians took over the inheritance of the Achaemenids and for centuries barred the land approaches from Europe to the Indian sub-continent. In Europe the masterly Roman stepped into the place of leadership vacated by the exhausted Greeks, and extended his dominion until it reached from the Atlantic to the Euphrates. In 116 AD the aged Emperor Trajan, having defeated the Parthians in front of Ctesiphon, descended the Tigris to Charax Spasinu, where he witnessed the departure of a ship bound for India. Like Alexander, whom he admired and wished to emulate, the old Roman emperor longed to go on and explore the lands of the Far East; but the Romans had at last reached the limits of their eastward expansion. Trajan was forced to return with his army in order to suppress revolts in the lands already conquered, and he died in the following year. The Roman frontier was established on the Euphrates, and the tramp of the legions was never heard on the Iranian plateau or on the plains of India.

This did not, however, mean the cessation of all intercourse between India and the Roman Empire. Though the Parthians blocked the land routes, the way of the sea was still open; and though the Roman himself was never a sailor, and would never for a moment have contemplated without a shudder the possibility of making the long voyage across the Indian Ocean, he was now in a position to enlist the services of the Greek merchants of Alexandria and of the Arabs in the first organised attempts at large-scale commercial traffic between East and West.

There is some evidence that from very early times there had been a certain amount of coastwise traffic between the ports at the mouths of the Indus and those on the Persian Gulf. It was not, however, until the Greek sailor Hippalus, in the centuries between the death of Alexander and the establishment of the Roman Empire by Augustus, discovered how to use the monsoon winds, that the navigation of the open ocean became possible, and large fleets sailed regularly to and fro each year, bearing the silk and spices of the East to supply the Roman market. As far as Rome is concerned, this activity reached its maximum in the first two or three centuries of the Empire. After the barbarian invasions and the fall of the western Empire conditions in the Mediterranean region underwent a radical change, and specifically Roman influences become increasingly difficult to trace.

In India during the greater part of this period political power was concentrated in two great dynasties, that of the

Kushans in the north and that of the Andhras in the Deccan. Under the great Kanishka the territory ruled by the Kushan kings extended from Benares through north-west India far into Central Asia, and contained the trade routes over the Hindu Kush connecting the Great Silk Road with the ports on the Arabian Gulf. Further south the domains of the Andhra Empire in the second century AD reached from sea to sea.

Since the western extension of the Great Silk Road had been cut by the Parthians, the only possible outlet to the West for the Chinese trade along this route was over the passes into the north-west India and thence by sea across the Arabian Gulf of the Indian Ocean. Though this was the main artery through which silks from China flowed to the West, there was also some traffic through Burma, and by sea from southern China to the Coromandel Coast and Ceylon. Both sources were tapped by the fleets sent out each year by the Alexandrian merchants, who were mainly responsible for the initiation and organisation of this traffic.

At the western end of the chief terminal ports were Charax Spasinu at the head of the Persian Gulf, and Myos



Hormos, Berenice and Leuke Kome on the Red Sea, the two former on the Egyptian coast and the latter on the coast of Arabia. From these places caravans brought the goods overland across the desert to Alexandria and other Mediterranean ports in Syria. The trade from Charax Spasinu was sent westwards through Palmyra; that from Leuke Kome, where there was a small Roman garrison, went north to Petra in the country of the Nabataeans and thence via Gaza to Egypt; whilst the two ports on the Egyptian coast and the route connecting them with Alexandria were under direct Roman control.

The sailors in the fleet were mainly Arabs, though no doubt Greek and Indian seamen also plied regularly on the sea routes. Occasionally, perhaps, wealthy Roman merchants would send out an agent to prospect and explore; but these men from the western Mediterranean who reached India were freedmen and very probably not Romans in the true sense. There does not appear to be any record of a genuine Roman

who braved the danger and discomfort of the long sea voyage, and indeed it is very unlikely that any Roman ever did so. The commerce with the Far East was entirely in the hands of middlemen. Direct contacts between Romans and Indians were confined to those occasions on which embassies from Indian princes were received by the Roman emperor of the day.

Almost from the beginning this trade caused serious misgivings in Rome. The reason is not far to seek: the countries of the Far East, and especially China and India, were at least as well supplied as the Roman Empire with those commodities which form the products of peaceful industry. The demand for goods was therefore one-sided, and in satisfying it the Romans were imposing on themselves an adverse trade balance resulting in a chronic drain on the economic resources



Stucco head from Taxila showing a marked Roman influence
(By courtesy ISMEO)

of the empire. In order to pay for their imported luxuries, the Romans were obliged to export to the East large quantities of the precious metals, especially gold. Other exports, such as Arretine ware and Greek wines, can have served to balance a small portion of the trade in the opposite direction.

The evidence of archaeology supports this view. Roman objects brought to light in southern India consist for the most part of coins, especially those of the earlier emperors, with some Arretine ware and Roman amphorae. The remains of a Roman warehouse excavated by Sir Mortimer Wheeler at Arikamedu, near Pondicherry, prove that merchants from the Roman Empire had established themselves on the Coromandel Coast. In Pakistan and Afghanistan, excavations at Taxila and Begram and in other localities have revealed storehouses containing Roman lamps and statuettes, and other objects which were treasured probably on account of their artistic worth.

What influence had this commerce with the Roman Empire on Indian life and culture? From the economic point

of view the exchange was advantageous to the Indians. This is proved by the fact that they repeatedly sent embassies to the Roman court with the object of maintaining the connection.

When we come to speak of cultural influences, certain distinctions must be drawn. First, there is the distinction between northern and southern India. The Dravidian peoples in the south were very different racially from the descendants of the Aryan invaders in the north, and were probably on this account less receptive of cultural influences from the West. From all that has been discovered up to date it would appear that the cultural life of southern India remained unaffected by this commerce with the Roman Empire. In the north, in what is now Pakistan, and in Afghanistan, it was otherwise; but before considering the question of possible western influence on the great Indian art of the Gandhara school, it is necessary to draw another very important distinction, that between purely Roman art and the Hellenistic art of the later Roman Empire, in which Roman art merged. Hellenistic art is predominantly Greek art. It is perhaps less abstract, more individualistic, than the Greek art of the Periclean Age; it reflects the life of the Eastern Mediterranean under the Roman Empire; but it is still fundamentally Greek, and its products are mainly the work of Greek artists.

Between the Greek and the Aryan inhabitant of the Punjab of two thousand years ago there existed an instinctive sympathy, which may have been due, at least in part, to racial affinity. To either of them the Roman would have appeared as an efficient and ruthless barbarian.

In contrast with the severely practical Roman, both Greek and Indian tended to cultivate the theoretical and spiritual side of life; the results were Greek philosophy and Indian religion. In mathematics the Greek yields pride of place to none but the Indian. The doctrine of reincarnation, with its corollary, the rule of abstinence from animal flesh, was evolved, apparently independently, in Greece and India. Moreover, the genius for abstraction, which accounts very largely for Indian triumphs in the field of mathematics, is also apparent in Indian art, and especially in Indian sculpture.

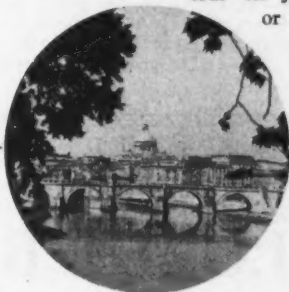
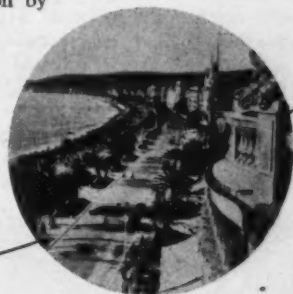
Long before the Roman merchants started to import silk and pepper in bulk, Greek and Indian had met and, to some extent, mingled. What the Romans did was to create the condition in the Mediterranean world that made it profitable for the Greek merchant of Alexandria to maintain contact with the Far East, as a result of which objects of Hellenistic art found their way into Afghanistan and north-west India. To say that these contacts influenced to some extent the Indian art of the Gandhara period is doubtless correct. It should not, however, be forgotten that, not only was the ground suitable for the seed, it had also been well prepared for it in advance. Given the racial and temperamental affinity between Greek and Aryan Indian, it would be very difficult to ascribe with certainty any particular trend in Indian art to western influences of the Hellenistic age, especially in view of the long previous association of both races in Afghanistan and the Punjab.

The chief gifts bestowed by Rome on the peoples brought within her orbit were: political organisation, law and order, roads, aqueducts, bridges and the *Pax Romana*. These she could bring only in the wake of her victorious legions, whose advance was stayed on the Euphrates. In the domain of art her function, in the East even more than in the West, was to act as intermediary in passing on the rich heritage of Greece.

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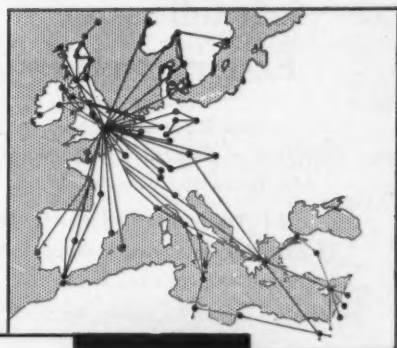
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ECONOMIC SECTION

MALAYA'S TRADE WITH BRITAIN

By V. Wolpert

THE Chairman of the Singapore Chamber of Commerce, Mr. H. F. Clements, stressed in his review of trade in 1955, that the year had ended with a favourable visible trade balance for Malaya of nearly \$(Malayan)334.5 million, and that the total trade was the highest since 1951, and the second highest ever. He warned that "we must stop alarming our friends and neighbours and assure them of security and service for which they look and by which we live."

Malaya's total imports were valued at \$3,821.9 million and total exports at \$4,156.3 million in 1955. During the first three months of 1956 the total trade continued to expand and the imports reached the value of \$1,045.8 million and the exports \$1,099.5 million, again showing a favourable trade balance although the increase of imports was higher than that of the exports. Malaya is an important dollar earner for the sterling area, and during 1955 the imports from the dollar area were valued at \$90.4 million (US 73.8 million, Canada 8.1 million and the rest of the dollar area 9.5 million) as against the exports to the value of \$882.2 million (US 723.4



The Connaught Bridge Power Station in Malaya which the Colonial Development Corporation helped to finance. It has a capacity of 80,000 kW

million, Canada 92.3 million and the rest of the dollar area 66.5 million). During the first quarter of 1956 the imports from the US increased to \$47.9 million and those from Canada to \$4.6 million worth, while the value of the exports to the US amounted to \$171.4 million and to Canada \$21.5 million.

The United Kingdom was the main trading partner of Malaya and in 1955 Malaya's imports from the UK were valued at \$690.5 million and the exports to the UK at \$761.6 million. The continuous expansion of UK trade with Malaya can be seen from the following table:

	1954 (the whole year)	1955 (the whole year)	1955 (first 4 months)	1956 (first 4 months)
UK imports from Singapore	24.7	37.7	10.7	14.7
from Fed. of Malaya	27.6	47.6	13.6	19.6
UK exports to Singapore	34.9	38.1	12.8	14.2
to Fed. of Malaya	30.6	35.4	12.1	13.5

(all figures in million £)

The confidence in the high level trade with Malaya and other Far East countries and the possibility of its further increase found its expression in the expanded services offered since June by the P & O Company. Three sailings to the Far East comprising one passenger ship and two fast cargo ships, take place from London each month, instead of two as before. The scheduled round-trip of the cargo ships has been cut from 168 days to 140. The improved voyage times are, from London to Penang 22 days, to Port Swettenham 25 days, and to Singapore 28 days. The full impact of the expanded services will be felt in Malaya, where three sailings monthly will be provided to cover all ports. Dates of loading and sailing will adhere to schedules and the shippers of Malayan products are offered an improved service, including Singapore to London 24 days, Port Swettenham to London 22 days. The new P & O service provides also better

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shipping facilities between the Philippines, Japan, Hong Kong and China, and the United Kingdom and north European ports (including Hamburg, Rotterdam, Antwerp and Havre).

Malaya's Exports

In 1955, Malaya's exports of rubber amounted to 994,176 long tons, of which 236,846 tons went to the UK, and 182,896 tons to the US. Among other important markets were France (88,568 tons), West Germany (86,752 tons), Japan (71,359 tons), Italy (53,209 tons). The following table of UK rubber imports shows (a) the predominance of imports from Malaya, (b) the increase of UK total imports and imports from Malaya, (c) the reflection of increased prices on the value of imports:

	1954		1955		1956	
	Whole Year		Whole Year		First 3 months	
	Tons	£m.	Tons	£m.	Tons	£m.
UK total imports	263,978	50.6	337,915	96.5	103,463	31.3
including from:						
Singapore ...	84,126	15.1	104,043	29.9	28,917	9.1
Fed. of Malaya	115,440	22.3	130,825	39.1	40,768	13.1

After lengthy negotiations the embargo on rubber sales to China has been partially lifted in June which had a slight upward trend influence on the prices in Malaya and in Mincing Lane.

In this connection it is important to note that in 1955 Malaya's imports from China were valued at \$115.8 million as against Malaya's exports to China to the value of only \$12.9 million, and



British built Merton Overloaders loading overburden into Muirhill dumpers during stripping and clearing operations at the Gopeng Tin Mines in Perak, Malaya. These Merton Overloaders, which are now working in several quarries and mines in Malaya, are cable operated and extremely fast and simple. With $\frac{3}{4}$ cu. yard buckets and loading rate of 3 to 4 buckets per minute they are capable of loading at the rate of over 100 tons per hour. The power unit is the standard Fordson diesel tractor unit of 44 h.p.

that during the first quarter of 1956 they amounted to \$35.8 million and \$1.2 million respectively.

Malaya's exports of tin (blocks, ingots, bars and slabs) increased from 61,750 tons valued at \$391.5 million in 1953 to 71,160 tons valued at \$432.9 million in 1955, and the 1955 exports included 2,994 tons to the UK and 43,454 tons to the US. During the first quarter of 1956 the exports amounted to 18,345 tons to the value of \$121 million, including 996 tons (\$6.5 million) to the UK, and 8,498 tons (\$56.2 million) to America.

Malaya's pineapple industry achieved a remarkable rehabilitation. During the War the plantations and canneries were destroyed and the pre-war customers had switched over their purchases to other countries. In the post-war period the industry made great progress in all fields, namely plantations, canneries and export trade. The production of canned pineapples amounted to 1,089,000 cases in 1955 as against 749,800 cases in 1953, and reached 201,800 cases during the first 2 months of 1956 as against 105,300 cases during the corresponding period of 1955. The exports amounted to 27,775 tons valued at \$29.1 million in 1955 as against 21,559 tons valued at \$25.3 million in 1954. (The average output during the years 1934-38 was 66,000 tons.) The 1955 exports included 24,332 tons to the UK and 531 tons to West Germany. The two canneries which have juice plants also increased production. The production increased from 25,900 cases in 1954 to 39,200 cases in 1955, and continued to rise in 1956. During the last two years the quality of juice has been greatly improved, and in 1955 the exports amounted to nearly 22,000 cwt., including 2,067 cwt. to the UK and 11,504 cwt. to West Germany.

UK Imports from Malaya

The following list shows the break-down by main commodity groups of the UK imports from Malaya during the first 4 months of 1956 (figures in brackets refer to the value of imports of these goods during the corresponding period of 1955): fruits and vegetables £1,089,969 (1,040,799), coffee £4,292 (36), tea £242,868 (776,401), oil seeds, oil nuts and oil kernels £16,652 (83,426), rubber £28,595,607 (18,789,526), wood £474,049 (382,985), metalliferous ores £105,290 (214,685), miscellaneous animal and vegetable crude materials £82,942 (105,174), animal and vegetable oils, fats, etc., including palm oil £1,904,231 (1,463,918), chemicals including starch and starch preparations £360,949 (425,491), silver £75,607 (49,788), non-ferrous base metals £616,525 (281,829).

UK Exports to Malaya

The following list shows the value of UK exports to Malaya during the first 4 months of 1956, broken down by groups of exported goods. The wide variety of exported products—capital and consumer goods—is noteworthy, and shows the importance of this market for various British industries: machinery (other than electric) £2,860,063, electric machinery, apparatus etc. £2,336,745, road vehicles £3,769,677, railway vehicles £351,843, ships and boats £161,132, miscellaneous non-metallic manufactures, including cement £668,136, iron and steel £1,307,714, non-ferrous base metals £302,202, manufactures of metal £1,132,931, sanitary, plumbing, heating fixtures, pre-fabs, etc. £466,368, scientific instruments, optical goods, watches, etc. £288,139, meat products £324,920, dairy products £725,933, cereals, etc. £282,976, sugar and sugar preparations £1,401,248, cocoa preparations and chocolate £242,938, beverages £184,983, tobacco and manufactures thereof £3,121,571, petroleum products £217,455, chemicals £2,655,093, rubber manufactures £878,874, products of the paper industry £229,382, woollen industry's products £71,051, cotton industry's products £565,822, synthetic fibre yarns and fabrics £115,691, miscellaneous textile manufactures £509,791, clothing, footwear, etc. £314,033.

In connection with building activities and general development (including industrial) in Malaya, there are further possibilities for Malaya's increased imports. It is to be hoped that Malaya will continue to be able to sell her products at satisfactory prices and that sufficient capital, local and foreign, will be forthcoming for investment to assure further development of this market.

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PAKISTAN'S NEW FIVE YEAR PLAN

THE draft of Pakistan's new Five Year Plan was recently released by the Planning Board, which was set up in 1953 by the Government with a staff of both Pakistani and foreign experts. The Government have invited criticism of the Plan from members of the public, trades unions, political parties and chambers of commerce, and any necessary amendments will be made during the next three months.

The Plan envisages a 20 percent increase in Pakistan's national income by 1960. The implementation is estimated to cost Rs. 11,600 million with anticipated expenditure in the public sector at Rs.8,000 million and Rs.3,600 million in the private sector. Allowing for a 7½ percent increase in Pakistan's population in five years the per capita income is expected to go up by 12 percent.

The main items of expenditure in the public sector are Village Aid (Rs.243 million), Agriculture (Rs.886 million), Water and Power Development (Rs.2,601 million), Industry (Rs.1,076 million), Transport and Communications (Rs.1,642 million), Housing and Settlements (Rs.771 million), Education (Rs.581 million), Health (Rs.287 million), Social Welfare (Rs.33 million), Labour and Employment (Rs.16 million). The private sector programme of Rs.3,600 million is concerned largely with Industry (30 percent), Housing (25 percent), and Agriculture, Trade, Transport etc. (45 percent).

Financing the Plan

The Board estimates that during the five years covered by the Plan, domestic savings totalling Rs.7,400 million can be mobilised, that is, Rs.1,500 million public savings and Rs.5,900 million private savings. This leaves a deficit of Rs.4,200 million, of which Rs.400 million are expected to be covered by foreign investment. The Planning Board hopes that foreign loans and aids will be available for the balance of Rs.3,800 million.

Development Priorities

Top priority is given to Village Aid and to Agriculture. About one third of public sector expenditure is to be primarily devoted to Village Aid, land reclamation and drainage. Industry and power claim about 27 percent of public expenditure in addition to the large industrial investment programme in the private sector. Transport and communications account for about one fifth of total public expenditure, and social services a further one fifth.

Foreign Exchange

Requirements of foreign exchange for the Plan's implementation are estimated at Rs.5,300 million, Rs.3,400 million from the public and Rs.1,900 from the private sector. Pakistan's total foreign exchange earnings are expected to be about Rs.10,140 million during the Plan period and minimum requirements for consumer goods, raw materials, defence and other non-development imports at about Rs.9,140 million, leaving about Rs.1,000 million available for development.

Export earnings are expected to rise by about Rs.400

million during the five year period, and at the same time requirements for imports of essential consumer goods, raw materials and fuels will drop with the expansion of local production. These imports are expected to drop by Rs.100 million and the Board is optimistic about the country's foreign exchange position, since it considers that by 1960 about Rs.500 million per annum will be available for development from the country's own earnings and that this upward trend will continue.

Agricultural Development

The Board have provided a reserve of Rs.1,000 million for East Pakistan for productive programmes still to be prepared for flood control and irrigation work. For West Pakistan there is a reserve of Rs.100 million for productive schemes for the Tribal Areas, Baluchistan and other less developed regions.

The Village Aid programme aiming at increasing the incomes of the rural people and providing them with more amenities is to be carried out mainly by the villagers themselves in cooperation with trained workers. During the Plan period about a quarter of the rural population will be covered by Village Aid development and at the end of this period the number of trained village workers will be 5,000. In agriculture, the Plan's basic target is a secure food supply and a substantial beginning towards a more diversified and more valuable agricultural output. The Board stress the need for maintaining a balance between agriculture and industry by stimulating agricultural progress rather than by curtailing industrial development.

The total expenditure on agricultural development in the public sector is estimated at Rs.886 million. This is divided between crop breeding and seed schemes, increasing the use of chemical fertilisers, the colonisation of new areas and the control of pests and diseases. An Agricultural Bank is to be established and Rs.95 million provided for rural credit and Rs.12 million for the consolidation of land holdings. Fisheries are allocated Rs.28 million for the promotion of cooperative societies, mechanisation of craft, and the establishment of fish markets and harbours. Livestock and cattle breeding are included in the plan for agricultural improvement, and cattle breeding farms, veterinary hospitals, mobile dispensaries and milk supply schemes are envisaged. The need for land reform is stressed and ceilings on the ownership are recommended by the Board, varying according to the type of land. To prevent the fragmentation of holdings, the Board have recommended that the Government should

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fix the minimum size for economic holdings and land falling below this would then be re-allocated.

By 1960 it is estimated that in West Pakistan 2,500,000 acres of new land will be brought under irrigation, improved water supply provided for another 2,700,000 acres and about 560,000 acres of land reclaimed. In East Pakistan another 400,000 acres will be brought under winter irrigation and about 1,500,000 acres improved by drainage and flood control. Power development schemes are expected to increase installed capacity from 280,000 kW. to 860,000 kW. and annual use per capita from 7 to 23 units.

Transport

The programme for railways is mainly one of rehabilitation but provision is made for 100 locomotives, 600 carriages and 6,000 wagons, some of the latter being manufactured in Pakistan. The construction of some 1,800 miles of new roads and the improvement of 2,000 miles of existing roads is also envisaged.

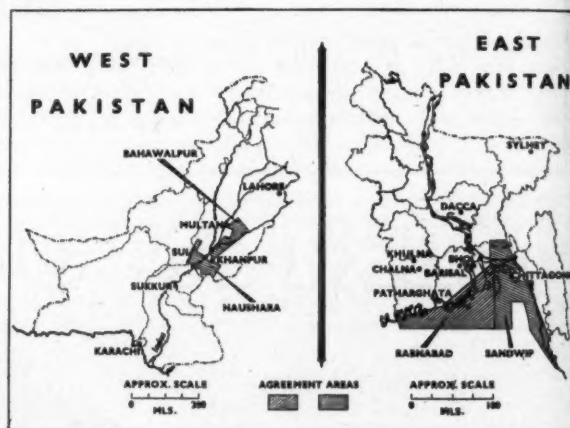
Education and Social Services

In education, efforts will be concentrated on improving the quality of primary, secondary and university education and on the expansion of facilities for training in either the technical or professional fields. Several training colleges for teachers are to be opened, and polytechnics, and industrial colleges are to be established. The Board consider that a system of universal primary education is imperative, but in view of the cost and the shortage of trained teachers they do not expect this to materialise for at least 20 years.

An expenditure of Rs.287 million is estimated for health projects. The highest priority is for preventive measures, including malaria and tuberculosis control, medical education and maternity and child welfare work. The building and expanding of hospitals, and dispensaries, research work, increasing the number of doctors and extending school health services are all advocated.

Oil Search in Pakistan

AN Agreement was signed on May 26 in Karachi between the Government of Pakistan and Shell (The Shell Company of Pakistan Limited) under which an operating company, Pakistan Shell Oil Company Limited, will be formed to carry out an extensive search for oil over an area of some 10,000 square miles in West Pakistan and an area of similar size in East Pakistan. Petroleum Development of Pakistan Limited, a company to be owned wholly by Pakistan private



capital, will hold 25 percent of the shares in the new company, the remaining 75 percent being held by Shell.

The Agreement provides that, in the event of oil being produced in commercial quantities, profits arising from the venture will be shared equally with the Government of Pakistan. The exploration programme is planned to lead up to the drilling of the first deep test well possibly towards the end of 1957. It is planned to train Pakistan nationals in all phases of work associated with the search for oil.

Shell has appointed Mr. M. S. Lush as Chief Representative for this project, and Mr. C. MacKay, who has already carried out preliminary investigations over the areas to be prospected, will be Technical Manager. Administrative headquarters will be in Karachi and there will be base camps in both East and West Pakistan. The appointment of technical staff, who will draw on Shell's world wide experience in oil-fields and exploration areas, has already begun.

All available geological data are being reviewed and aerial photographs of the concession areas are being closely studied. It is expected that staff and equipment will start moving into Pakistan this month so that exploration can start as soon as conditions become favourable in the autumn.



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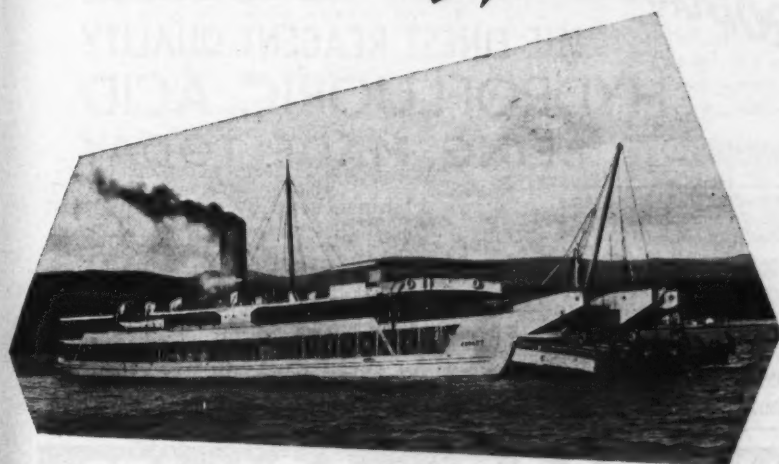
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DURGAPUR STEEL PROJECT

THIS month an Indian Government delegation is due to arrive in London to finalise the "broad agreement" which was concluded in Delhi in February between the Indian Government and a British consortium for the construction of a steel plant at Durgapur, West Bengal.

After the final signing of this agreement, three steel plants will be constructed for the Indian Government with technical assistance by outside countries. Technical help for the plant at Rourkela will be supplied by the West German concern, Krupp-Demag, that for the Bhilai plant is to come from the Soviet Union, and the plant at Durgapur will be built by the British ISCON consortium—Indian Steelworks Construction Company Ltd., formed in London with Sir Cyril Jones as chairman.

The Durgapur plant is to have an output capacity of approx. 1.5 million ingot tons of steel per annum (about the same capacity is being planned for each of the other two plants), and according to the Indian Minister Krishnamachari the Durgapur Works will produce annually 300,000 tons of foundry grade pig-iron, and 790,000 tons of medium structurals, blooms and billets for forging, billets for re-rollers, wheels, tyres and axles and sleepers. The Minister declared in the Indian Parliament on March 13 that the steel melting and rolling capacity could be increased by 25 per cent with relatively minor additions to the plant.

The cost of the Durgapur steel plant is estimated at approximately £76 million, of which about £50 million will be

spent on equipment, plant and materials to be imported into India, while the rest of the amount would be spent during the construction in India itself. The ISCON consortium consists of several prominent UK firms of the steel plant, constructional steelwork, electrical and other industries—all of them with a high reputation for first-class work. This consortium with the support of some London banks is to provide a credit of £11.5 million, while the UK Government—through the Export Credits Guarantee Department—agreed to provide an additional credit of £15 million. It is, in fact, the first instance of a complete plant of such magnitude being erected by a British consortium with credit granted by the UK Government. That this should happen is some indication of the importance both Government and industry attach to this project.

The February "broad agreement" was concluded after hard bargaining, and the Indian negotiators are to be congratulated on the agreed terms, including the fixing of certain prices irrespective of possible increases of materials and labour cost during the process of construction. The main differences with the other two steel agreements are that in the case of the Rourkela project the West German partners act as consultants and, therefore, receive a specified fee; with Bhilai, the Russians supply the equipment and instal it but do not build the actual plant, while in Durgapur ISCON do not receive the consultants' fee and have to build the plant, in addition to supplying the equipment and installing it.

(Continued at foot of page 46)

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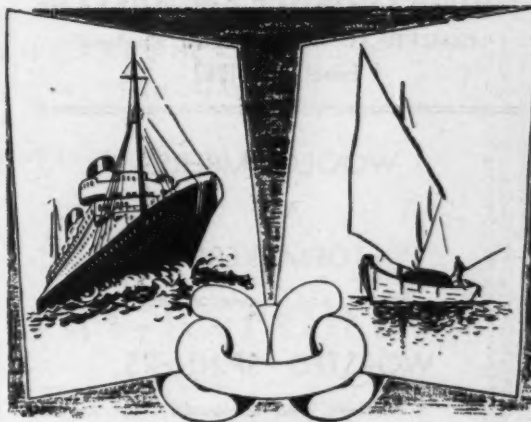
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WOOL AIDS KOREA

KOREA'S wool textile industry, which came to a virtual standstill during the Korean war, is beginning to show signs of recovery. Last year South Korea bought all its requirements of wool from Australia. The total value of these purchases—made with funds provided by the United Nations Korean Rehabilitation Administration—was \$2,000,000. This was equal to Australia's contribution to Korean aid.

This year, South Korea is reported to be purchasing a total of 600,000lb. of wool tops from the United Kingdom. In Hong Kong currency the transaction is estimated at three million dollars. The tops are to be purchased through the usual Hong Kong trade channels. To facilitate this, letters of credit amounting to \$2 million are being granted through appropriations by the Foreign Operations Administration, while the remaining one million will be granted through allotments by the authorities in Pusan.

To aid Korea's wool textile industry, the United Nations Korean Reconstruction Agency has reported a first step in a \$1,250,000 programme. This is the arrival in South Korea of machinery for two new plants which are to be used in a dyeing and finishing mill for woollens and worsteds, and in a worsted spinning mill. In addition, the International Co-operation Administration is to procure for Korean mills \$3 million worth (about 1,700,000lb.) of wool tops.

Korea's wool textile industry was comparatively small before the war, the mills' chief demand being for crossbred wools. These, too, were purchased from Australia. Two of the chief items produced were wool scarves and gloves which served—as they do today—as a protection against the bitter cold that grips the whole of Korea during the winter. Apart from imported crossbred wools, the mills drew on home-produced wools. The latter were very small in quantity because of the low numbers of sheep.

Korea as a market for wool and wool products, however, is showing signs of improvement, as it did immediately before the Second World War. Fabrics and garments produced by Korean mills were supplemented before the war by imports from Japan. Both early and recent figures are either difficult or impossible to obtain, but in 1934 these imports from Japan stood at 813,000lb. of wool yarn and 8,432,000 square yards of wool tissues.

DURGAPUR STEEL PROJECT (Continued from page 44)

It is evident, that the construction of these three plants, the final cost and their performance after completion, will be closely watched in India and beyond India's frontiers, particularly in under-developed countries. British manufacturers are confident that they can successfully meet this peaceful competition, and that the Durgapur plant will compare favourably with the other two plants.

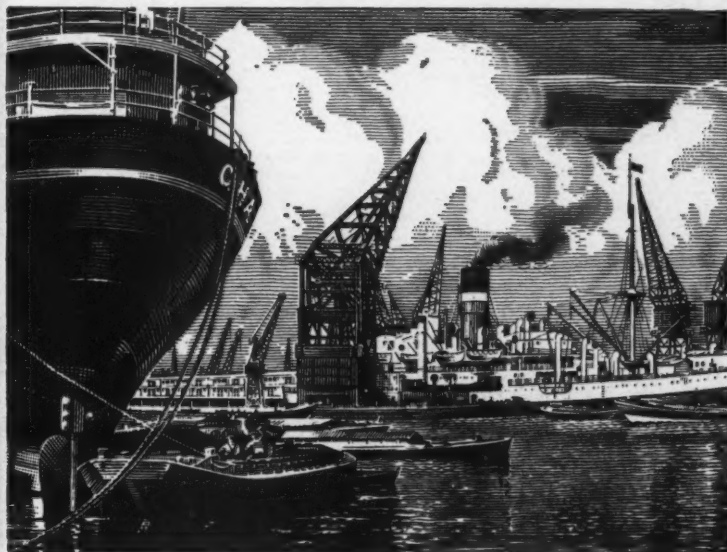
It is to be hoped that, following the favourable terms secured by the Indian Government representative in the February agreement, the London talks this month will quickly lead to the signing of the final agreement, so that the actual work can start without any delay. Because of the shortage of steel the world over there is at present a great demand for steel plant equipment and it is important that the deal should be finalised as soon as possible, and the members of the consortium receive their respective orders before they are offered contracts from other countries.

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JAPAN'S MAN-MADE FIBRE INDUSTRY

By A. James

THE man-made fibre industry can be broadly divided into two large sections—chemical fibres, the products of which are manufactured from a cellulose base (rayon goods) as well as products from protein (natural polymers), including groundnut protein, corn protein, milk casein and seaweed, and the synthetic fibre industry, the products of which are manufactured from wholly synthetic fibres (synthetic polymers), mainly derived from by-products of coal and oil. The best known product of this industry is nylon.

Japan occupies an important place in both fields of the man-made fibre industry. Before the war the Japanese rayon industry's output and exports were among the largest in the world, and in the post-war period this industry has made a remarkable recovery. The synthetic fibre industry is a young industry which has developed vigorously in Japan since the early fifties. Following the promulgation of Japan's Foreign Investment Law (June, 1950) facilities were provided for the introduction of new foreign techniques in Japan which have benefited various Japanese industries, including the textile industry in the production of nylon, crimped staple fibre as well as crimp-proof processing. Among the early agreements in this field were those concluded between Toyo Rayon K.K. and Du Pont Company for the production of nylon goods, and

between Asahi Kasei Kogyo K.K. and the Dow Chemical Company of America. The latter agreement resulted in the formation of their subsidiary Asahi-Dow Ltd. for the production of saran fibre.

Several Japanese firms of the rayon industry as well as of the cotton industry began with the production of synthetic fibres, the output of which increased from one million lb. in 1950 to 21 million lb. in 1954. The 1954 output included 10 million lb. nylon and 11 million lb. vinyl alcohol fibres (including vinylon), the latter being a field in which "probably Japan alone has made any significant progress," according to *Industrial Fibres* (published by the Commonwealth Economic Committee, London, 1955). Vinylon products have been meeting with an increased demand from industrial and fishing circles. During the fiscal year 1955 the total output of synthetic fibres increased by approximately 80 percent over the previous year and reached the figure of 41,118,000lb. and a further big expansion of production capacity has been planned for the current year.

A large amount of research has been carried out in Japan in the field of developing new fibres including crimped staple fibres. A recent report stated that a new synthetic fibre which is claimed to be lighter than nylon and is made from castor oil, coal and oil by-products has been developed by a Kyushu University professor. Japan's chemical fibre industry continued to expand its output, and the following table shows the production increases during the 1955 fiscal year as against the previous year:

	Production		% increase of 1955 over 1954
	1954 fiscal year	1955 fiscal year	
Rayon pulp ...	264,779 tons	290,841 tons	10
Rayon yarn ...	188.1 mill. lb.	200.4 mill. lb.	6
Rayon staple yarn ...	343.9 mill. lb.	427.4 mill. lb.	24
Staple fibre ...	467.1 mill. lb.	564.9 mill. lb.	21
Rayon fabrics ...	677.3 mill. sq. yds.	812.3 mill. sq. yds.	20
Rayon staple fabrics ...	712.2 mill. sq. yds.	939.0 mill. sq. yds.	32

Although the output of rayon filament yarn has increased three times as against the output of 1949 it was still about 5 percent lower than that of 1938. On the other hand the output of staple fibre exceeded the 1938 record output of 330 million lb. by 1953, and during the last two years further very great increases have taken place. Among special types of yarns manufactured during the 1956 calendar year were 21 million lb. of high tenacity rayon.

The chemical fibre industry's exports occupy an important place in Japan's overall exports. During the 1955 fiscal year the exports of this industry were valued at US\$243.1 million, or nearly 12 percent of the country's total exports. It is significant that while the value of the total exports increased by 24.5 percent as against the previous year, the exports of the chemical fibre industry increased by 29.4 percent during the same period.

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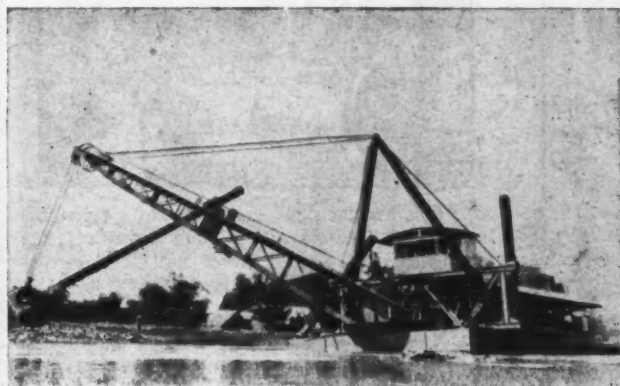
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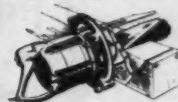
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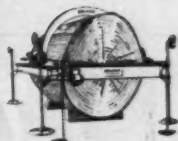


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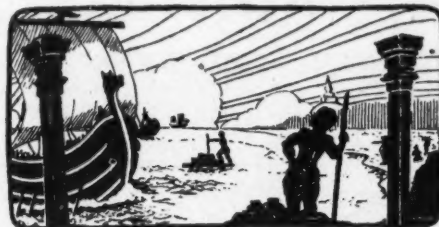


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TRADE, FINANCE AND INDUSTRIAL NOTES

The Colonial Development Corporation in Malaya

The recently published 1955 annual report of the Colonial Development Corporation shows that the Corporation has been giving active assistance to the economic development of Malaya in various fields. It has made loans to the Central Electricity Board, and has helped to finance the Connaught Bridge Power Station near Kuala Lumpur, thus enabling Malaya's tin mines, industries and homes to receive more power at lower prices.

The Corporation has subscribed M\$10 million in shares (total authorised share capital, M\$50 million) of the Federal and Colonial Building Society Ltd., and has granted further loans to the value of over M\$10 million to this Society.

The planting of oil palms and the erection of a new processing factory carried out by the Kulai Oil Palm Estate is another example of the Corporation's activities.

The foundations of the Malayan cocoa industry have been laid by Malayan Cocoa Ltd., the partners of which are the Colonial Development Corporation, Cadbury Bros. Ltd., and Harrisons & Crosfield Ltd. The venture designed to encourage the expansion of cocoa growing in Malaya on the basis of cultivation experience in pilot estates of Malayan Cocoa Ltd., is the United Cocoa Development Co. Ltd., the promoters of which are Cadbury Bros. Ltd., Harrisons & Crosfield Ltd., Colonial Development Corporation (associates in Malayan Cocoa Ltd.), and Van Houten & Zoon NV.

In Singapore, a factory development scheme was started in 1951 when a 52-acre plot was purchased in Singapore and divided into factory sites to be sold against cash, whereby loans for factory construction are provided against mortgage. Four factories—a textile mill and edible oil refinery (both constructed with financial assistance from the Corporation) and polish and hemp rope factories—are already in production.

Cotton Agreement signed with Burma

The Agreement was signed in Rangoon last month between the Government of the Union of Burma and the United Kingdom, under which the United Kingdom will supply Burma with cotton textiles to a value of Kyat 125 lakhs (£940,000 approx.). Payment for the textiles will be in United States raw cotton made available to Burma by the United States Government under the United States Aid Programme.

Japanese Order for Britain

The Osaka Gas Company has placed an order for two large carburetted water gas plants for their Kyoto works with Humphreys & Glasgow Ltd., London. The in-

stallation will have a total daily capacity of about 7,500,000 cubic feet. Heavy oil will normally be used for enrichment and the plant will help to absorb some of Japan's surplus coke. Some of the material will be fabricated to Humphreys & Glasgow design in Tokyo, while special equipment will be supplied from the UK. The plant will be put into operation in about 16 months' time.

Russia May Buy Carpet Wool From India

Wool export trade circles report that there are Russian inquiries in the market for the purchase of a useful weight of Indian carpet wool. It is believed that this is a result of recent official discussions for enlarging the volume of trade between India and Russia.

India's State Trading Corporation

The Government of India has set up the State Trading Corporation. The Corporation, which will be a private limited company, has been registered under the Companies Act, 1956, at New Delhi on May 18, under the name "State Trading Corporation of India (Private) Limited." The Corporation will have an authorised capital of Rs.10 million, divided into 100,000 shares of Rs.100 each. The subscribed capital will be Rs.500,000. All shares will be owned by the Government of India.

Objects of the Corporation are: "To organise and effect exports from and imports into India of all such goods and commodities as the Company may, from time to time, determine and purchase, sale and transport of and general trade in such goods and commodities in India or anywhere else in the world, and to do all such other things as are incidental or conducive to the attainment of the above object."

China buys Rayon Yarn in Western Europe

The China National Silk Corporation has purchased from Italy 3 million lb. of viscose 120 deniers bright rayon yarn to be imported during this year. China will supply to Italy 110,000lb. of raw silk. Belgium also is to supply 45,000lb. of rayon yarn to China. These contracts were concluded during the recent visits to Peking by Italian and Belgian businessmen.

Increase in Trade between Indonesia and the Netherlands

It is reported from Amsterdam that during the first three months of 1956 the Netherlands exported goods to Indonesia to the value of Fl.80,000,000 as against Fl.65,000,000 during the corresponding period of 1955. This represents an increase of 23 percent. Dutch imports from Indonesia also increased considerably — from Fl.99,000,000 over the first quarter of 1955

to Fl.117,000,000 in the same period of 1956, representing an increase of 18 percent. Over the first quarter of 1956 Indonesian exports to the Netherlands amounted to Fl.37,000,000 more than her imports from that country.

Indonesia's Trade with W. Germany

If economic life in Indonesia continues to progress towards stability, the country may well become a field of action not only for West German foreign trade but also for the investment of German capital as well. The prospects, according to "Hanseatic Overseas Trade," are favourable and the establishment of a branch office of the Indonesian Chamber of Commerce for Europe (MAPIE) in Düsseldorf is welcomed as an indication that Indonesia realizes the growing importance of Indonesian-German economic relations. During the first ten months of 1955 Indonesia's exports to Western Germany were valued at DM 284,690,000 as against DM 281,640,000 in the corresponding period of 1954 and DM 354,320,000 for the whole of 1954.

West German exports to Indonesia in the first ten months of 1955 were to a value of DM 155,540,000.



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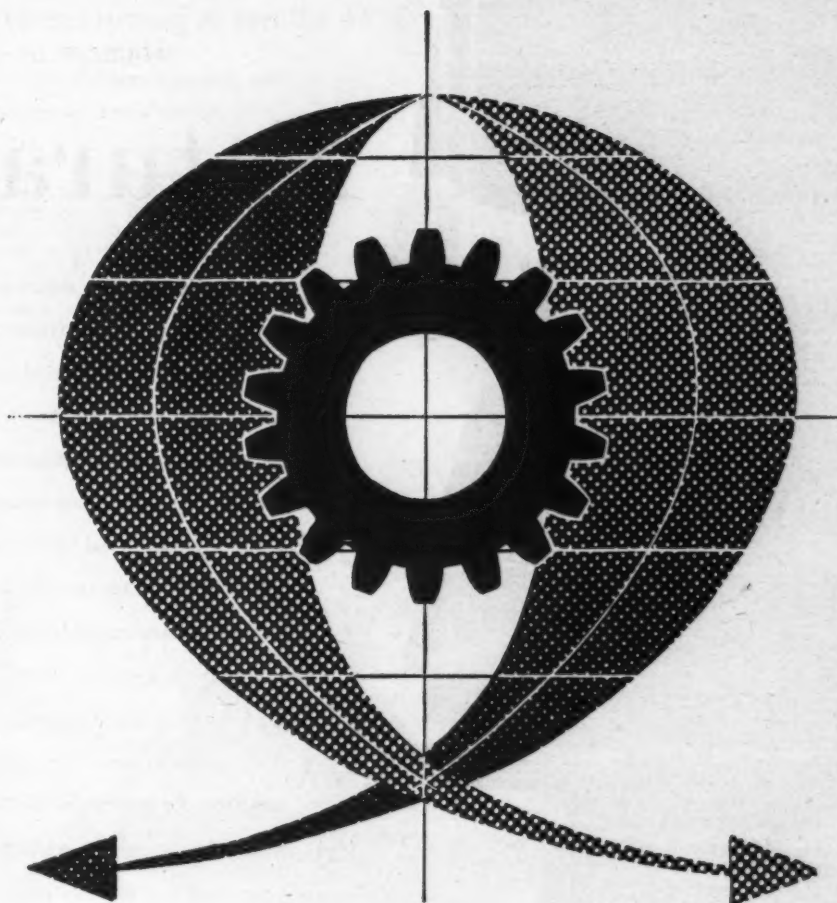
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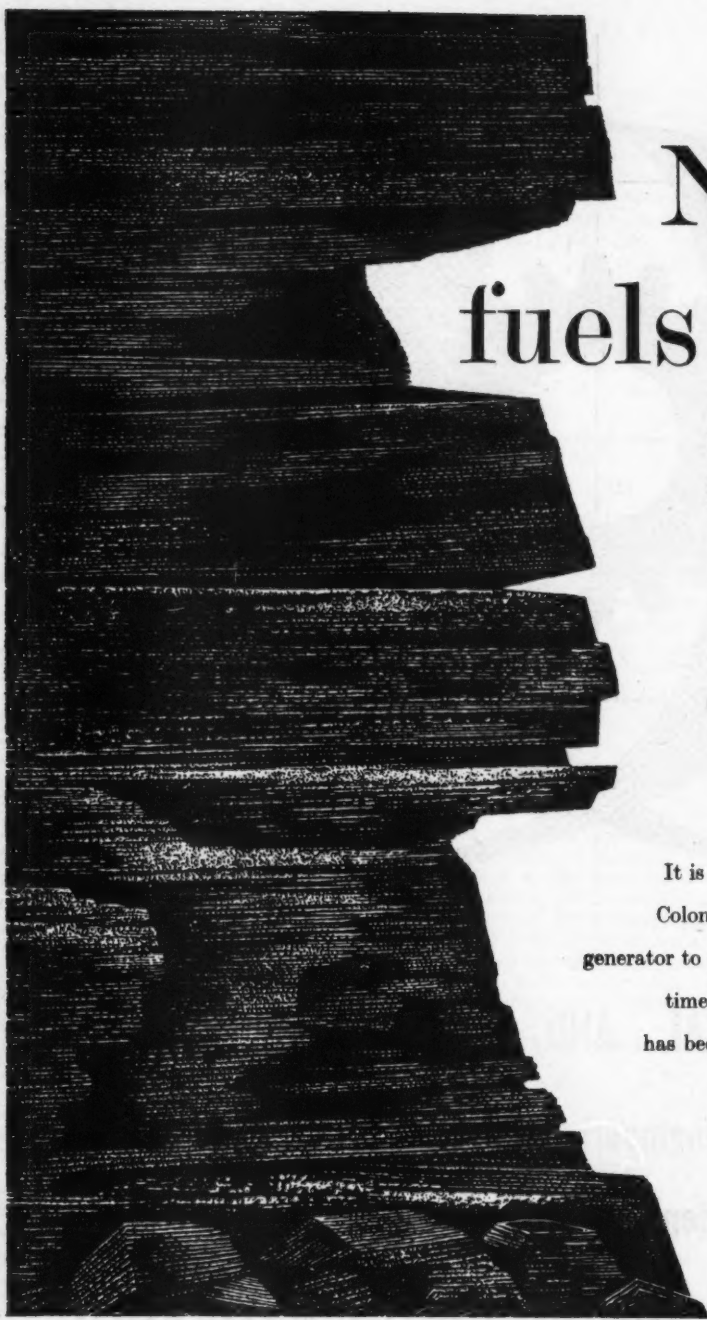
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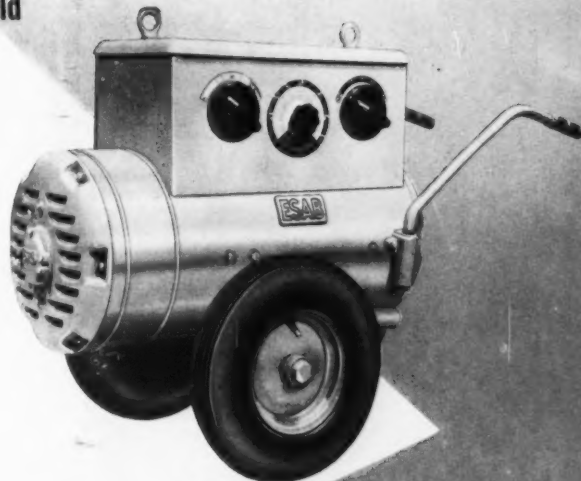
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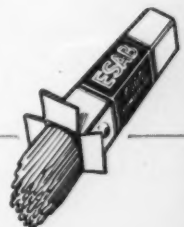
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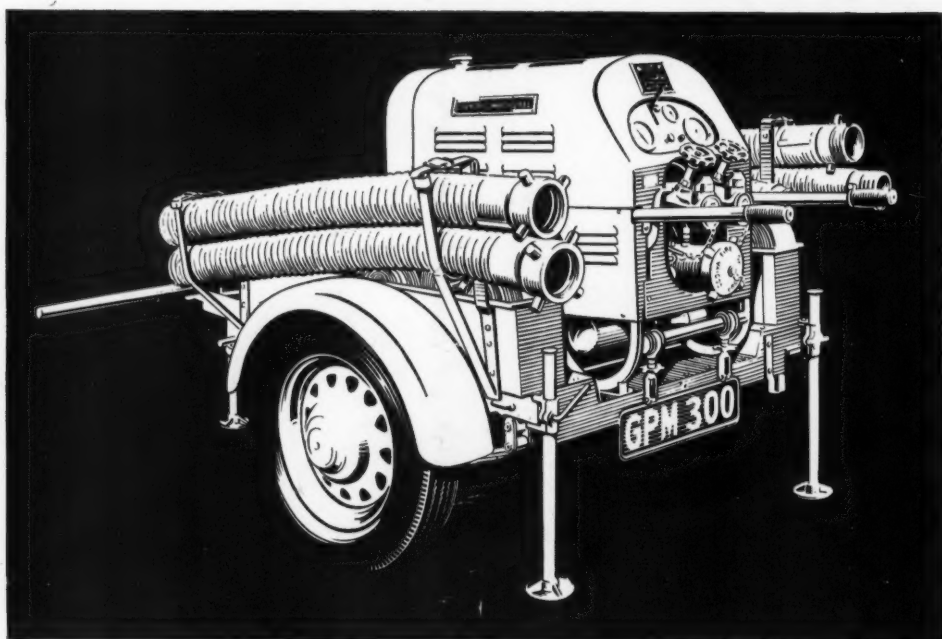
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